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Chapter III—Farmers Home Administration, Department of Agriculture

Subchapter A—Farm Housing Loans and Grants

PART 305—PROCESSING LOANS AND GRANTS

SUBPART B—SUBSEQUENT LOANS AND GRANTS

REVOCATION OF PRIOR APPROVAL

Paragraph (d) of § 305.21, Title 6, Code of Federal Regulations (16 F. R. 112) is hereby revoked. Prior approval of the Administrator is no longer required for subsequent loans and grants when the amount of funds needed to complete development items exceeds 25 percent of the total cash cost of the item.

(Sec. 510, 63 Stat. 437; 42 U. S. C. 1480. Interpret or applies secs. 502-504, 63 Stat. 433, 434; 42 U. S. C. 1472-1474)

DERIVATION: § 305.21 contained in FHA Instruction 443.13.

[SEAL] DILLARD B. LASSETER,
Administrator,
Farmers Home Administration.

NOVEMBER 6, 1951.

Approved: November 16, 1951.

CHARLES F. BRANNAN,
Secretary of Agriculture.

[F. R. Doc. 51-13937; Filed, Nov. 21, 1951; 8:47 a. m.]

PART 307—FARM AND HOME MANAGEMENT; YEAR-END SERVICING

SUBPART A—ANNUAL CHECKOUT FOR SECTION 503 BORROWERS

CONTRIBUTIONS ON FARM HOUSING LOANS

Subchapter A, Chapter III, Title 6, Code of Federal Regulations (14 F. R. 6544, 15 F. R. 1583, 3541, 6067, 6713, 6903, 8148, 9351, 16 F. R. 2821, 9295, 9297, 10305) is amended to add a new part with respect to the amount of contribution to which a section 503 Farm Housing borrower may be entitled. Part 307, Subpart A is added to read as follows:

- Sec.
307.1 General.
307.2 Record books.
307.3 Collection policy.
307.4 Performing checkout.

- Sec.
307.5 Determining amount of contribution.
307.6 Preparation and distribution of Form FHA-449, "Contribution Determination on Farm Housing Loan".

AUTHORITY: §§ 307.1 to 307.6 issued under sec. 510 (g), 63 Stat. 438; 42 U. S. C. 1480 (g). Interpret or apply sec. 503, 63 Stat. 434; 42 U. S. C. 1473.

DERIVATION: §§ 307.1 to 307.6 contained in FHA Instruction 437.11.

§ 307.1 *General.* The year-end servicing actions for section 503 Farm Housing borrowers who may be eligible for a contribution will in general be performed in accordance with the procedures prescribed for Farm Ownership borrowers in Part 337 of this chapter. This part supplements Part 337 of this chapter to the extent necessary to enable the County Supervisor to complete the year-end servicing and checkout actions and to determine the amount of contribution to which a section 503 borrower may be entitled.

(a) A section 503 Farm Housing borrower may receive a contribution in the form of a credit on his note in an amount not to exceed the interest portion plus one-half of the principal portion of each installment which becomes due during the first five years of the loan, provided he is, in fact, unable to pay the full amount of each installment and has followed his farm plan with reasonable diligence. Each request for a contribution must be supported by adequate records and accurate income and expense statements.

(b) The term "payment year" as used in this part means the 12 month period ending the December 31 on which the payment is due.

(c) Each section 503 borrower whose loan was closed prior to December 16 of the payment year must submit a statement of his income and expenses on Form FHA-528, "Annual Income Return," which will be prepared with the assistance of the County Supervisor. For each section 503 loan closed during the period from December 16 of the payment year to January 1 of the succeeding year, the borrower need not prepare Form FHA-528. Such a borrower will, at the time of loan closing, remit the amount of the first installment or as much thereof as he is able to pay. If the County Supervisor determines that

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such a borrower is unable to pay his first installment in full at the time of loan closing, he will credit the borrower with a contribution equal to that portion of the first installment which he is unable to pay.

(d) For each section 503 borrower whose loan was closed prior to December 16 of the payment year and who has not paid in full before that date the amount due as of December 31, the County Supervisor will determine whether the borrower is, in fact, unable to pay all or part of the installment due and is therefore entitled to a contribution, or whether the borrower had income sufficient to pay but failed to do so. This determination will be made on the basis of the information on Form FHA-528. The borrower is entitled to contribution credit on his installment only to the extent that he is actually unable to pay. Any part of the indebtedness due which it is determined he can pay or could have paid but which remains unpaid as of December 31 of the payment year will constitute a delinquency.

§ 307.2 *Record books.* The record book year for section 503 borrowers will end as of November 30. Form FHA-528 will be prepared on the basis of the borrower's records for the year ending November 30. For section 503 borrowers who do not have record books for all of the first payment year, contributions will be determined on the basis of the best information available.

§ 307.3 *Collection policy.* In general, the collection policy prescribed for Farm Ownership borrowers in § 337.2 of this chapter will also apply to section 503 borrowers during the first 5 years, except that a section 503 borrower's cash income should be used as follows to determine whether or not he is entitled to a contribution:

(a) First, to pay farm operating and family living expenses, including debts incurred for these purposes. These should be kept in reasonable control by conformance to approved farm and home plans.

(b) Second, the next priority for the use of cash income is for the following purposes in the order listed:

(1) To pay an amount on chattel debts equal to the annual depreciation of the chattels. If the amount due on the chattel debts is less than the estimated amount of chattel depreciation, an expenditure may be allowed for new chattels but only to the extent necessary for continued farming in accordance with the approved farm plan and in an amount which when added to the payments on chattel debts will not exceed chattel depreciation. If the Farm Housing mortgage is subject to a prior lien on which there are amounts overdue or soon to become due and the borrower's cash income is insufficient to make payments with respect to chattels as specified in the two preceding sentences and also to pay in full the amounts overdue or soon to become due on the prior lien, the prior lienholder's consent to letting delinquencies remain or occur should be obtained in order to avoid foreclosure. In those cases in which the borrower is indebted to the Farmers Home Administration on an Operating loan, income from the sale of property mortgaged to secure such a loan will be released only in accordance with applicable Farmers Home Administration Instructions.

(2) To pay amounts due on prior real estate liens.

(3) To pay an amount equivalent to 50 percent of the principal due on the scheduled annual installment for the year on the Farm Housing loan.

(4) To pay the balance of the scheduled annual installment on his note and other charges on his Farm Housing debt.

(5) To pay additional amounts on chattel debts to the extent necessary to remove delinquencies or to keep the debts current, provided such payments are in accordance with the planned use of income as shown on the annual farm and home plan.

(c) Third, the remaining income should be used for the following purposes, depending on the circumstances of the individual case:

(1) To get the borrower ahead of schedule on his Farm Housing loan and other real estate debts.

(2) To speed up retirement of the chattel or other old debts.

(3) To build up cash-operating capital so that less money will have to be borrowed for this purpose.

(4) To make capital investments that will result in sound and justifiable expansion of operations and improve living conditions.

§ 307.4 *Performing checkout.* The steps in completing the checkout process for section 503 borrowers will be the same as those established for Farm Ownership borrowers in § 337.2 of this chapter, except that material need not be assembled for borrower meetings. Form FHA-528 will be prepared by the borrower with the assistance of the County Supervisor prior to December 16 of the payment year for each section 503 borrower whose loan was closed prior to that date. The borrower also will be required to sign the completed Form

FHA-528, and in no case will a contribution be made to a borrower unless he signs the Form. The following statement for the borrower's signature will be added in the blank space below Table L in Form FHA-528:

I declare under penalties provided by Section 1001, Title 18, United States Code, that this "Annual Income Return" has been examined by me and to the best of my knowledge and belief is true, correct, and complete.

Signature of borrower

Date

The borrower will sign the original of Form FHA-528, in the space provided below the typed statement. The original will be retained in the borrower's County Office case folder and a copy will be given to the borrower.

§ 307.5 Determining amount of contribution. A determination of the amount of contribution, if any, to which each section 503 borrower may be entitled will be made at the time of the checkout and will be based on the facts recorded on Form FHA-528 for each loan closed before December 16 of the payment year. A contribution will not be made if a borrower whose loan was closed prior to December 16 does not complete and sign Form FHA-528 or if Form FHA-528 shows that he had income sufficient to pay the installment in full if the income had been used in accordance with the collection policy established in § 307.3. Any amount due that is unpaid and is not covered by a contribution will be considered as a delinquency.

(a) *Borrowers with first installment due December 31 of payment year.* Included in this group are all section 503 borrowers whose loan checks (notes) are dated within the period January 1 and December 31 of the first payment year. Since the first installment is the interest on the loan from the date of the note to the first succeeding December 31, a borrower may qualify for a contribution up to the full amount of the first installment on the note.

(1) A contribution equal to the full amount of the first installment will be made only in those cases where Form FHA-528 for a borrower whose loan is closed prior to December 16 of his first payment year indicates that the income for his first payment year, when used in accordance with the collection policy established in § 307.3, was actually insufficient to pay any part of his first installment and no part of the installment has been paid. A contribution equal to the full amount of the first installment also may be made to a borrower whose loan is closed after December 15 of his first payment year and before January 1 of the succeeding year, and who is unable at the time of loan closing to pay any part of his first installment.

(2) A contribution equal to a part of the first installment may be made in those cases where Form FHA-528 indicates that the borrower's income for his

first payment year, when used in accordance with the collection policy established in § 307.3, was actually insufficient to pay the first installment in full, but was adequate to pay a part of the first installment, except that no contribution will be made to cover any amount the borrower has actually paid on the first installment. In such case, a contribution may be made equal to the portion of the first installment that the borrower is unable to pay. A contribution equal to a part of the first installment also may be made to a borrower whose loan was closed after December 15 of the first payment year and before January 1 of the succeeding year, provided at the time of loan closing he was able to pay a part but not all of his first installment.

(b) *Borrowers with second installment due December 31 of payment year.* This group is composed of all section 503 borrowers whose second installment (first regular amortized installment) is due December 31 of the payment year. The maximum contribution authorized for this group is an amount equal to all of the interest and one-half of the principal of the scheduled annual installment due for the second payment year. The maximum contribution to any borrower in this group is 86.3 percent of the scheduled annual installment due December 31 of his second payment year. Thus, each borrower in this group must pay at least 13.7 percent of a scheduled annual installment, since this is 50 percent of the principal of the installment due for his second payment year.

(1) A contribution equal to 86.3 percent of the scheduled annual installment due may be made only in those cases where:

(i) Form FHA-528 indicates that the borrower's income for the payment year, when used in accordance with the collection policy established in § 307.3 was actually insufficient to pay more than 13.7 percent of the scheduled annual installment due December 31 of his second payment year.

(ii) Any amount the borrower has actually paid on his scheduled annual installment due December 31 of his second payment year plus any amount he was ahead of schedule on his loan as of December 31 of the preceding payment year does not exceed 13.7 percent of the scheduled annual installment.

(2) A contribution equal to less than 86.3 percent of the scheduled annual installment may be made in those cases where:

(i) Form FHA-528 indicates that the borrower's income, when used in accordance with the collection policy established in § 307.3 was actually insufficient to pay in full the scheduled annual installment due December 31 of his second payment year, but was adequate to pay more than 13.7 percent of such installment.

(ii) The borrower has not actually paid the full amount due December 31 of his second payment year.

(iii) The borrower was not ahead of schedule as of December 31 of the pre-

ceding payment year in an amount equal to or greater than the amount he is actually unable to pay on his installment due December 31 of his second payment year. If the borrower was ahead of schedule as of December 31 of the preceding payment year in an amount equal to or greater than the amount he is unable to pay for his second payment year, he would not be entitled to a contribution.

(c) *Borrowers with third installment due December 31 of payment year.* This group is composed of all section 503 borrowers whose third installment (second regular amortized installment) is due December 31 of the third payment year. The contributions for this group of borrowers will be determined in accordance with paragraph (b) of this section, except that the maximum contribution to any borrower is 85.75 percent of the scheduled annual installment due, and the minimum payment required of each borrower is 14.25 percent of such installment.

(d) *Borrowers with fourth installment due December 31 of payment year.* This group is composed of all section 503 borrowers whose fourth installment (third regular amortized installment) is due December 31 of the fourth payment year. The contributions for this group of borrowers will be determined in accordance with paragraph (b) of this section, except that the maximum contribution to any borrower is 85.19 percent of the scheduled annual installment due, and the minimum payment required of each borrower is 14.81 percent of such installment.

(e) *Borrowers with fifth installment due December 31 of payment year.* This group is composed of all section 503 borrowers whose fifth installment (fourth regular amortized installment) is due December 31 of the payment year. The contributions for this group of borrowers will be determined in accordance with paragraph (b) of this section, except that the maximum contribution to any borrower is 84.59 percent of the scheduled annual installment due, and the minimum payment required of each borrower is 15.41 percent of such installment.

§ 307.6 Preparation and distribution of Form FHA-449, "Contribution Determination on Farm Housing Loan." For each section 503 borrower to whom a contribution will be made, the County Supervisor will prepare Form FHA-449, "Contribution Determination on Farm Housing Loan," and will give a copy to the borrower.

[SEAL] DILLARD B. LASSETER,
Administrator,
Farmers Home Administration.

NOVEMBER 1, 1951.

Approved: November 16, 1951.

CHARLES F. BRANNAN,
Secretary of Agriculture.

[F. R. Doc. 51-13938; Filed, Nov. 21, 1951;
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Subchapter E—Account Servicing

PART 364—SETTLEMENT

SUBPART A—COMPROMISE, ADJUSTMENT, CANCELLATION, CHARGE-OFF, AND REDUCTION TO ZERO OF DEBTS OWED THE FARMERS HOME ADMINISTRATION

SETTLEMENT OF DEBTS OWED THE UNITED STATES WHICH ARE UNDER THE JURISDICTION OF THE FARMERS HOME ADMINISTRATION

Subpart A of Part 364, in Chapter III, Title 6, Code of Federal Regulations (14 F. R. 6967, 15 F. R. 2378, 3207, 4937, 5871), is amended to read as follows:

Sec.

- 364.1 General.
- 364.2 Compromise and adjustment of debts upon application.
- 364.3 Cancellation of debts upon application.
- 364.4 Review by County Committee.
- 364.5 Cancellation and charge-off of debts without application when the debt is not in excess of \$100.
- 364.6 Cancellation and charge-off of debts without application and without regard to the amount of the debt.
- 364.7 County Office handling.
- 364.8 State Office handling.
- 364.9 Debt settlement action in the National Office.
- 364.10 Reduction of corporation indebtedness to zero.

DERIVATION: §§ 364.1 to 364.8 contained in FHA Instruction 456.1, except those portions of § 364.7 (f) and § 364.8 (b) concerning debts reported to the General Accounting Office contained in order, Administrator, December 8, 1948. Section 364.10 contained in order, Administrator, June 28, 1950.

§ 364.1 *General*—(a) *Purpose and scope*. (1) Sections 364.1 to 364.9 provide the policies and procedures for the compromise, adjustment, cancellation, charge-off, and reduction to zero of debts owed the United States which are under the jurisdiction of the Farmers Home Administration, hereinafter referred to as "debts owed to the Farmers Home Administration," except debts arising from:

- (i) Farm Ownership loans,
- (ii) Other Real Estate loans, except indebtedness under rent accounts, D-1 and other leases, and cancelled Lease and Purchase Contracts,
- (iii) Farm Housing loans made under 63 Stat. 432,
- (iv) Water Facilities loans made under 50 Stat. 869, as amended,
- (v) 1948 Flood Damage loans made under 62 Stat. 1038, as amended,
- (vi) Property Damage loans made under 63 Stat. 82, and
- (vii) Disaster, Fur, and other loans made under 63 Stat. 43, as amended.

(2) Requests received by field officials for settlements of these latter seven types of debts will be referred by State Directors to the National Office for consideration and further instructions.

(3) Section 364.10 provides the policies and procedures for the reduction to zero of debts owed by corporations and under the jurisdiction of the Farmers Home Administration.

(b) *Definitions*. The following are definitions of certain terms used in this subpart.

(1) "Debt" or "claim" is the unpaid principal, accrued interest, and any other

amounts which properly are chargeable to the account of the borrower by the Farmers Home Administration, including a borrower from a Regional Agricultural Credit Corporation or of State Rural Rehabilitation Corporation funds. "Loan" includes any such indebtedness owed to the Farmers Home Administration.

(2) "Borrower," "debtor," or "obligor" is any person or persons legally obligated, either as principal, surety, or otherwise, to pay debts owed the Farmers Home Administration.

(3) "Compromise" is the satisfaction of a debt by the acceptance of a lump-sum payment of an amount less than the total amount due.

(4) "Adjustment" is the reduction in a debt conditioned upon completion of payment of the adjusted amount at some specified future time or times, with or without the payment of any consideration when the adjustment offer is approved. An adjustment is not a final settlement until all payments under the adjustment agreement have been made.

(5) "Cancellation" or "reduction to zero" is the final discharge of a debt without any payment thereon.

(6) "Charge-off" is the writing off of a debt as an asset, without release of liability.

(7) "Settlement" is the compromise, adjustment, cancellation, charge-off, or reduction to zero of a debt owed the Farmers Home Administration.

(8) "Trust Agreements" are transfer agreements entered into between the Government and the various State Rural Rehabilitation Corporations and also agreements entered into pursuant to section 2 (f) of Public Law 499, 81st Congress (64 Stat. 99).

(9) "State Rural Rehabilitation Corporations" are such corporations and also other State agencies or officials designated by State Legislatures as provided for in section 2 (f) of Public Law 499, 81st Congress.

(c) *Policies*. (1) The authorities contained in this part for the settlement of debts will neither serve as justification for nor permit, any relaxation of the efforts of officials to collect the debts owed the Farmers Home Administration in accordance with applicable policies and procedures. Generally, debts will not be compromised or adjusted within five years after they were created.

(2) When it is contemplated that an additional loan will be made to a borrower, a settlement of his present debts will not be undertaken, except in unusual cases. The following conditions will exist before debt settlement actions will be considered under such circumstances:

(i) The failure of the borrower to repay the debt for which settlement is requested resulted from circumstances which were beyond his control;

(ii) The causes which necessitate debt settlement, other than weather hazards, disasters, and price fluctuations, have been removed; and

(iii) The borrower's present operations are sound and afford him a better than reasonable prospect of repaying the loan and meeting his other obligations.

(3) Any case in which a debt settlement action is proposed and in which a further loan is contemplated will be re-

ferred to the National Office before either the debt settlement action or the loan is approved.

(d) *Non-statutory sources of authority*. The authorities interpreted or applied, other than statutory authorities which are cited to text in parentheses, are:

(1) Trust agreements with the various State Rural Rehabilitation Corporations.

(2) Secretary's regulations with respect to debt settlements under sections 1, 2, 58 Stat. 836; 12 U. S. C. 1150, 1150a (10 F. R. 807; 12 F. R. 441; 13 F. R. 6903; 7 CFR 3).

(R. S. 161, sec. 41 (i), 60 Stat. 1066, sec. 1, 58 Stat. 836, sec. 1, 63 Stat. 43; 5 U. S. C. 22, 7 U. S. C. 1015 (i), 12 U. S. C. 1150, 1148a-1. Interprets or applies sec. 1, 63 Stat. 43, sec. 41 (g), 60 Stat. 1065, secs. 1, 2, 58 Stat. 836, sec. 2 (f), 64 Stat. 99; 12 U. S. C. 1148 a-1, 7 U. S. C. 1015 (g), 12 U. S. C. 1150-1150a, 40 U. S. C. 440 (f))

§ 364.2 *Compromise and adjustment of debts upon application*. (a) Debts of the following types may be compromised or adjusted, subject to the applicable provisions of this part, upon application by the borrower or, if the borrower is unable to act for himself, upon application by his guardian, executor, administrator, or any other person directly interested in his estate:

(1) Emergency Crop and Feed loans, including Drought Feed loans made in 1934-1935 and loans made by the Secretary of Agriculture to farmers for the purchase of capital stock in forming local agricultural credit corporations.

(2) Rural Rehabilitation loans, including those made from State Rural Rehabilitation Corporation funds.

(3) Flood and Windstorm Restoration loans.

(4) Rent accounts, and D-1 and other leases.

(5) Lease and Purchase Contracts that have been canceled.

(6) Furniture Contracts.

(7) Wartime Civilian Control Administration loans. These loans were made only in the West Coast States.

(8) Production and Subsistence Loans.

(9) Water Facilities loans made with Rural Rehabilitation funds.

(10) Loans made by Regional Agricultural Credit Corporations.

(b) *Compromise or adjustment of debts described in paragraph (a) of this section, upon application, is authorized provided all of the following conditions exist:*

(1) The debt on which a compromise or adjustment is requested is less than \$10,000 (principal, interest, and other charges). Any case in which the total debt owed the Farmers Home Administration is \$10,000 or more (principal, interest, and any other charges), including for this purpose, any indebtedness not included in the settlement offer, will be referred to the National Office for consideration.

(2) The debt or any renewal thereof on which settlement is requested is due and payable, or the right of acceleration thereof has been exercised by written notice prior to the date of the application. When a period of two years has not elapsed between the due date of the final

unpaid installment on the debt, or the date of acceleration, and the date of the application for settlement, the case will be referred to the National Office for consideration before a settlement is approved by the State Director, regardless of the amount of the debt.

(3) The borrower is unable to pay in full his debts to the Farmers Home Administration and the amount offered in compromise or adjustment represents a reasonable determination of his ability to pay and the value of any security for the debt. Unwillingness of the borrower to pay his debt when there is ample evidence of reasonable ability to pay in full will not justify the acceptance of a compromise or adjustment offer. Whether or not a borrower has acted in good faith in an effort to meet his obligation to the Government also will be considered. The debt-paying ability of a borrower will be determined by a complete analysis of his circumstances. The following factors, among others, will be considered in making this analysis:

(i) *The present income of the borrower and probable income over a reasonable period of time.* The source of a borrower's income and the nature of his work will affect the stability of his future income and debt-paying ability and will have an important bearing in determining reasonable repayment ability. Old age pensions, other Public Welfare assistance, and payments received by veterans for pensionable disabilities will not be considered as sources of funds with which to make compromise and adjustment offers. Representatives of the Farmers Home Administration will not solicit compromise and adjustment offers to be paid from these sources.

(ii) *Necessary operating and living expenses.* It is essential to determine the necessary operating and living expenses of the borrower, as well as the annual amount of payments that must be made on secured debts, taxes, and other such items by the borrower to enable him to continue his operations. When the amount of gross income is the same as the total of operating and living expenses, the operations of the borrower will be very closely examined except when income is so low that it may reasonably be expected that all of the income will be needed for operating and living expenses.

(iii) *The value of security.* Before the settlement of a debt can be approved, it will be necessary for the borrower to offer an amount at least equal to the fair-market value of the security, including crop security. Permitting a borrower to retain security property will ordinarily leave him with earning power and income, which, along with all other pertinent factors, will be considered in determining whether the borrower has any reasonable ability to pay an amount above the value of security property.

(iv) *Borrower's other property.* In addition to any security property, including crop security, the earning capacity of all other property owned by the borrower, will be considered carefully in making a reasonable determination of his ability to pay. Also, the value of the borrower's entire assets in relation to his total debts owed, and the security for

such debts, is one indication of reasonable repayment ability. Consideration will be given, however, to the actual needs of the borrower in continuing his operations and in meeting his family living expenses, and the borrower will not be required to liquidate those assets which are essential for these purposes before settlement is approved.

(v) *The total debts of the borrower and the relative priorities on his income.* The extent and manner in which the borrower's debts are secured and the claim that secured debts have on his income will determine the position of the various creditors in obtaining payment from income. The relative position of the Farmers Home Administration, as a creditor, and the amount of income available for payments on debts, will determine largely the payments that may be expected out of income. In some cases, particularly when borrowers are farming, County Supervisors may need to contact other creditors for the purpose of effecting an adjustment in the debts owed such creditors.

(vi) *The age and health of the borrower.* Age alone is not necessarily an indication of the borrower's reasonable repayment ability, although a borrower of advanced age may be less likely to have stability of income with which to pay debts. Also, the health of a borrower and of his family necessarily will weigh heavily in determining his probable income and the use thereof.

(R. S. 161, sec. 41 (1), 60 Stat. 1066, sec. 1, 63 Stat. 43, 5 U. S. C. 22, 7 U. S. C. 1015 (1), 12 U. S. C. 1148a-1. Interprets or applies sec. 1, 63 Stat. 43, sec. 41 (g), 60 Stat. 1065, sec. 2 (f), 64 Stat. 99; 12 U. S. C. 1148a-1, 7 U. S. C. 1015 (g), 40 U. S. C. 440 (f))

§ 364.3 *Cancellation of debts upon application.* (a) Debts of the following types may be canceled, subject to the applicable provisions of this part, upon application by the borrower, or, when unable to act for himself, upon application by his guardian, executor, administrator, or any other person directly interested in his estate:

(1) Emergency Crop and Feed loans, including Drought Feed loans made in 1934-35, and loans made by the Secretary of Agriculture to farmers for the purchase of capital stock in forming local agricultural credit corporations.

(2) Rural Rehabilitation loans, including those made from State Rural Rehabilitation Corporation funds when an agreement has been entered into pursuant to section 2 (f) of Public Law 499, 81st Congress, authorizing the Government to settle the Corporation's claims in accordance with the provisions of Public Law 518, 78th Congress.

(3) Rent accounts, and D-1 and other leases.

(4) Lease and Purchase Contracts that have been canceled.

(5) Furniture Contracts.

(6) Flood and Windstorm Restoration loans.

(7) Water Facilities loans made with Rural Rehabilitation funds.

(b) The following requirements will be met before any debts described in paragraph (a), of this section, may be canceled upon application:

(1) The principal balance owed on loans made under a single act of Congress is not in excess of \$1,000, or the principal balance owed on loans made from State Rural Rehabilitation Corporation funds during any one fiscal year is not in excess of \$1,000.

(2) A period of 5 years or more has elapsed between the due date of the final unpaid installment on the debt, or the date of acceleration, and the date of the application for settlement. (For renewed accounts, the five years will begin to run from the date the last unpaid installment became due on the renewal note or from the date of the notice of acceleration.)

(3) The borrower is unable to pay any part of his debt and has no reasonable prospect of being able to do so. However, no debts may be canceled unless advantage accrues to the Government from the removal of such debts from the records, thereby eliminating further loan servicing cost.

(4) The borrower has acted in good faith in an effort to pay his debts to the Government. Some of the factors which will be considered in determining whether the borrower has acted in good faith are: (i) Whether the borrower has attempted through the transfer or sale of security property or other assets, or by other means, to defeat efforts to collect the debt; (ii) whether the borrower has made any material misrepresentation or concealed any material facts in obtaining the loans; or (iii) used substantial amounts of loan funds for unauthorized purposes which were detrimental to his operations.

(Sec. 1, 58 Stat. 836, sec. 41 (1), 60 Stat. 1066; 12 U. S. C. 1150, 7 U. S. C. 1015 (1). Interprets or applies secs. 1, 2, 58 Stat. 836, sec. 2 (f), 64 Stat. 99; 12 U. S. C. 1150-1150a, 40 U. S. C. 440 (f))

§ 364.4 *Review by County Committee.* The County Committee will review all applications for settlement of debts and will recommend approval or rejection. No settlement may be approved by officials of the Farmers Home Administration which is more favorable to the borrower than that recommended by the County Committee. State Directors are authorized, upon obtaining approval of the Administrator, to delegate to duly established Farmers Home Administration County Committees authority to perform debt settlement functions under this part in counties for which no County Committees have been appointed.

(R. S. 161, sec. 41 (1), 60 Stat. 1066, sec. 1, 58 Stat. 836, sec. 1, 63 Stat. 43; 5 U. S. C. 22, 7 U. S. C. 1015 (1), 12 U. S. C. 1150, 12 U. S. C. 1148a-1. Interprets or applies sec. 41 (g) (2) (C), 60 Stat. 1066, sec. 42 (d), 60 Stat. 1067, sec. 1, 58 Stat. 836; 7 U. S. C. 1015 (g) (2) (C), 7 U. S. C. 1016 (d), 12 U. S. C. 1150)

§ 364.5 *Cancellation and charge-off of debts without application when the debt is not in excess of \$100.* (a) Debts of the following types may be canceled, subject to the applicable provisions of this part without application, when the total debt (principal, interest and other charges) is not in excess of \$100:

(1) Emergency Crop and Feed loans, including Drought Feed loans made in 1934-1935 and loans made by the Secre-

tary of Agriculture to farmers for the purchase of capital stock in forming local agricultural credit corporations.

(2) Rural Rehabilitation loans, including those made from State Rural Rehabilitation Corporation funds when an agreement has been entered into pursuant to section 2 (f) of Public Law 499, 81st Congress, authorizing the Government to settle the Corporation's claims in accordance with the provisions of Public Law 731, 79th Congress.

(3) Flood and Windstorm Restoration loans.

(4) Rent accounts, and D-1 and other leases.

(5) Lease and Purchase Contracts that have been canceled.

(6) Furniture Contracts.

(7) Wartime Civilian Control Administration loans. These loans were made only in the West Coast States.

(8) Production and Subsistence loans.

(9) Water Facilities loans made from Rural Rehabilitation funds.

(b) Debts of the following types may be charged-off, subject to the applicable provisions of this part, without application, when the total debt (principal, interest, and other charges) is not in excess of \$100:

(1) Loans made by Regional Agricultural Credit Corporation.

(2) Loans made from State Rural Rehabilitation Corporation funds.

(c) The debts described in paragraph (a) of this section, may be canceled, and those described in paragraph (b) of this section, may be charged-off, when:

(1) The total debt is \$10 or less, and it appears that further collection efforts would be ineffectual or likely to prove uneconomical, or

(2) The total debt is not in excess of \$100, has been due and payable for three years or more, and the County Supervisor of the Farmers Home Administration having charge of the claim has furnished a report showing that:

(i) The borrower has no assets from which the claim could be collected, or

(ii) The borrower has been absent from his last known address for a period of at least two years and his whereabouts cannot be ascertained without undue expense.

(R. S. 161, sec. 41 (1), 60 Stat. 1066, sec. 1, 63 Stat. 43; 5 U. S. C. 22, 7 U. S. C. 1015 (1), 12 U. S. C. 1148a-1. Interprets or applies sec. 1, 63 Stat. 43, sec. 41 (g), 60 Stat. 1066, sec. 2 (f), 64 Stat. 99; 12 U. S. C. 1148a-1, 7 U. S. C. 1015 (g) (3), 40 U. S. C. 440 (f))

§ 364.6 Cancellation and charge-off of debts without application and without regard to the amount of the debt. (a) Debts of the following types may be canceled, subject to the application provisions of this part, without application, regardless of the amount due:

(1) Emergency Crop and Feed loans, including Drought Feed loans made in 1934-1935 and loans made by the Secretary of Agriculture to farmers for the purchase of capital stock in forming local agricultural credit corporations.

(2) Rural Rehabilitation loans, including those made from State Rural Rehabilitation Corporation funds when an agreement has been entered into pursuant to section 2 (f) of Public Law 499, 81st Congress, authorizing the Govern-

ment to settle the Corporation's claims in accordance with the provisions of Public Law 518, 78th Congress.

(3) Rent accounts, and D-1 and other leases.

(4) Lease and Purchase Contracts that have been canceled.

(5) Furniture Contracts.

(6) Flood and Windstorm Restoration loans.

(7) Production and Subsistence loans.

(8) Water Facilities loans made from Rural Rehabilitation funds.

(b) Debts of the following types may be charged-off, subject to the applicable provisions of this part, without application, regardless of the amount due:

(1) Loans made by Regional Agricultural Credit Corporation.

(2) Loans made from State Rural Rehabilitation Corporation funds.

(c) Debts described in paragraph (a) of this section may be canceled, and those described in paragraph (b) of this section may be charged-off, when all of the requirements of the following subparagraphs (1), (2), or (3) of this paragraph are met:

(1) The borrower (all obligors, including any who may have previously assumed the debt) is deceased and the following conditions exist:

(i) There is no known security for the debt.

(ii) If an administrator or executor has not been appointed to settle the estate of the borrower, the financial condition of the estate has been investigated, and it has been established that there is no reasonable prospect of recovery.

(iii) If an administrator or executor has been appointed to settle the estate of a borrower and (a) a final settlement has been made and confirmed by the probate court and the Government's claim was recognized properly and the Government has received all funds it was entitled to, or (b) a final settlement has not been made and confirmed by the probate court but there are no assets in the estate from which there is any reasonable prospect of recovery, or (c) regardless of whether a final settlement has been made, there were assets in the estate from which recovery might have been effected but such assets have been disposed of, or lost, in a manner which precludes any reasonable prospect of recovery by the Government.

(2) The borrower (all obligors, including any who may have previously assumed the debt) has received a proper discharge of the debt in bankruptcy, the debt has not previously been revived by the borrower, and there is no known security for the debt.

(3) The whereabouts of the borrower (all obligors, including any who may have previously assumed the debt) has remained unknown for two years or more, there is no known security for the debt and no reasonable prospect of further collection, and reasonable efforts have been made to locate the borrower.

(d) Debts described in paragraph (b) of this section also may be charged-off, without regard to the amount of the debt, when there is no known security for the debt; the final unpaid installment on the debt is five years or more past due, or five years or more have

elapsed since the date of acceleration; and the borrower is unable to pay any part of his debt and has no reasonable prospect of being able to do so. However, no debts may be charged-off unless advantage accrues to the Government from the removal of such debts from the records, thereby eliminating further loan servicing cost.

(R. S. 161, sec. 41 (1), 60 Stat. 1066, sec. 1, 58 Stat. 836, sec. 1, 63 Stat. 43; 5 U. S. C. 22, 7 U. S. C. 1015 (1), 12 U. S. C. 1150, 12 U. S. C. 1148a-1. Interprets or applies sec. 1, 63 Stat. 43, sec. 1, 2, 58 Stat. 836, sec. 2 (f), 64 Stat. 99; 12 U. S. C. 1148a-1, 1150-1150a, 40 U. S. C. 440 (f))

§ 364.7 County Office handling. (a) Form FHA-858, "Application for Settlement of Indebtedness," will be used by borrowers who apply for compromise, adjustment, or cancellation of debts, and will be filed in County Offices. Borrowers will be required to sign only the original of Form FHA-858 except when an additional signed copy may be necessary for use in the County Office or State Office. Witnessing the signature of a borrower on Form FHA-858 is not required unless the borrower signs by mark. In the latter event, one witness is required. An employee of the Farmers Home Administration may act as a witness to the signing of Form FHA-858.

(b) Form FHA-859, "Advice of Cancellation of FHA Indebtedness," will be used for the cancellation or charge-off of debts without application. The original and one copy will be signed by the County Supervisor and submitted to the State Office along with the borrower's case file and one copy will be retained in the County Office.

(c) Settlements may not be approved as to one joint obligor unless approved as to all obligors, including any other persons who may have previously assumed the debt.

(1) A separate Form FHA-858 will be completed by each obligor, unless the obligors are members of the same family, such as, husband and wife, or mother and son, and their situation is such that all necessary information can be clearly shown in a single application. In the latter cases, the application will contain the required financial information for each obligor and will be signed by each. Also, the income, assets, and liabilities of each obligor, as well as any other pertinent information concerning the working relationship, will be shown under Part VII of the application. When separate applications are required, they will be transmitted to the State Office as a unit.

(2) If one obligor applies for compromise or adjustment under § 364.2 and the other obligor does not join in the application or execute a separate application, Form FHA-858 will be prepared by showing at the top of the form the name of the borrower requesting settlement, followed by the name of the other obligor, as, for example, "John Doe, joint obligor with Mary Doe." In addition to the facts concerning the repayment ability of the obligor making the application, the income, expenses, assets, liabilities, and any other pertinent information concerning the other obligor will be

shown in Part VII of the application. The State Director will submit such application and the related files to the National Office for consideration, except when the applicable requirements of § 364.6 (1), (2) and (3) have been met with respect to the obligor from whom an application is not received. An application is required from each obligor when debts are to be canceled under § 364.3 unless the applicable requirements of § 364.6 (1), (2) and (3) have been met with respect to the other obligor or the other obligor is unable to act for himself. When an obligor is unable to act for himself, an application in his behalf may be executed by his guardian, executor, administrator, or any other person directly interested in his affairs and who is in a position to furnish accurate information concerning the obligor's financial circumstances and repayment ability.

(3) If an application for settlement is received from one obligor and the other obligor is deceased, or has received a discharge of the debt in bankruptcy, or his whereabouts is unknown, Form FHA-858 will be prepared by showing at the top of the form the name of the obligor requesting settlement followed by the name of the other obligor, as, for example, "John Doe, joint obligor with Mary Doe, deceased," "John Doe, joint obligor with Mary Doe, bankrupt," or "John Doe, joint obligor with Mary Doe, whereabouts unknown." In addition to the information shown under Part VII of the application concerning the obligor requesting settlement, information will be shown to indicate how the applicable requirements of this part, have been met with respect to the other obligor. However, if the debt is not in excess of \$100 (principal, interest, and other charges) and the proposed action is cancellation or charge-off, Form FHA-859 may be used and the names of the obligors will be shown at the top of the form in the same manner as prescribed in this subparagraph. Under "Facts Supporting Cancellation," sufficient information will be shown to justify cancellation or charge-off of the claim against each obligor.

(4) If (i) one obligor is deceased and the other obligor has been discharged of the debt in bankruptcy or his whereabouts is unknown, or (ii) one obligor has been discharged of the debt in bankruptcy and the whereabouts of the other obligor is unknown, Form FHA-859 will be used and the names of each obligor will be shown at the top of the form, as, for example, "John Doe, deceased, joint obligor with Mary Doe, bankrupt," and so forth. Under "Facts Supporting Cancellation," sufficient information will be shown to justify cancellation or charge-off of the claim against each obligor.

(d) An "Application for Settlement of Indebtedness" will not be taken when an offer to compromise the debt is pending before the Secretary of the Treasury.

(e) When a claim has been referred to the Department of Justice for collection, it will be handled as follows:

(1) When a claim is pending before the Department of Justice and its files have not been closed and a borrower re-

quests a settlement of his debt under this part, the County Supervisor will explain to the borrower (i) that the Department of Justice has exclusive jurisdiction over the claim and that, therefore, the Farmers Home Administration no longer has authority to consider a settlement under the provisions of this part, and (ii) that, if he wishes to make a compromise offer or has any other plan for repayment of all or part of his debt, he may submit his proposition directly to the United States Attorney who has charge of the claim. The County Supervisor, upon request by a borrower, may assist the borrower in preparing his proposal for submission to the United States Attorney, but the proposal will be over the signature of the borrower. The County Supervisor will make no recommendation to the United States Attorney, and will avoid making any statement or commitment to the borrower which might in any way prejudice the United States Attorney's handling of the case.

(2) When a claim has been referred to the Department of Justice and later returned with a statement that the case has been closed without taking judgment, the debt may be settled in accordance with the provisions of this part.

(3) When a judgment has been taken by the Department of Justice and it has advised that its file in the case has been closed, the judgment debtor may submit a compromise offer on Form FHA-858. Any payments made in connection with such offers will be in the form of a money order, check, or bank draft, payable to the Treasurer of the United States, but no receipt therefor will be issued. Form FHA-858 and the payment will be transmitted to the State Director for referral to the appropriate United States Attorney through the representative of the Office of the Solicitor.

(4) Cancellation of indebtedness on which a judgment has been obtained by the Department of Justice is not authorized by this part, either with or without application, even though the Department of Justice has advised that its file in the case has been closed.

(5) Loans made by Regional Agricultural Credit Corporations which have been reduced to judgment in State courts by private attorneys employed by Regional Agricultural Credit Corporations, or which are still in the hands of such attorneys, may be settled under the provisions of this part, if the settlement is approved in the National Office. Loans made by Regional Agricultural Credit Corporations which are, or which have been, in the hands of the Department of Justice will be handled in the same manner as other debts which are, or which have been, in the hands of the Department of Justice.

(f) Indebtedness under Rent accounts, and D-1 and other leases, Lease and Purchase Contracts that have been canceled, and other indebtedness which has been reported to the General Accounting Office, will be settled under the applicable provisions of this part, subject to the following conditions:

(1) If the General Accounting Office has referred the claim to the Department of Justice for collection and the

borrower requests a settlement of the debt under this part, the County Supervisor will explain to the borrower (i) that the Department of Justice has exclusive jurisdiction over the claim and that, therefore, the Farmers Home Administration no longer has authority to consider a settlement under the provisions of this part, and (ii) that, if he wishes to make a compromise offer or has any other plan for repayment of all or a part of his debt, he may submit his proposition directly to the United States Attorney who has charge of the claim. The County Supervisor, upon request by a borrower, may assist the borrower in preparing his proposal for submission to the United States Attorney, but the proposal will be over the signature of the borrower. The County Supervisor will make no recommendation to the United States Attorney, and will avoid making any statement or commitment to the borrower which might in any way prejudice the United States Attorney's handling of the case.

(2) If the General Accounting Office has not referred the claim to the Department of Justice for collection, but the claim has been reported on Form FHA-752, "Reply to General Accounting Office Inquiry," as uncollectible, the County Supervisor will inform the borrower that the Farmers Home Administration does not presently have authority to effect a settlement of the indebtedness, but that if the borrower desires to do so, he may submit an application on Form FHA-858. The application will be prepared and processed in the same manner as other like applications under this part, except that the County Supervisor will forward it to the State Office for referral to the National Office.

(g) The repayment ability and other circumstances of borrowers will be investigated and discussed with them in order to assist in determining the proper type and terms of settlement offers. The present and future repayment ability of a borrower, and any other pertinent factors will be the basis for determining whether the debts should be compromised, adjusted, canceled, or charged-off. These same factors will be used in determining the amount of a reasonable offer in compromise and adjustment cases.

(h) Farmers Home Administration representatives will not solicit small or "token" offers from borrowers who have no reasonable repayment ability. This applies to all cases, including those in which the debt is not eligible for cancellation because of statutory limitations such as those pertaining to the principal amount due under a single act of Congress, the type of debt, the length of time the debt has been due, or the total amount of the debt.

(i) Requests made for the release of security property, and any other action taken or known to be contemplated, by a borrower whose application for debt settlement is pending in the State Office will be referred to the State Director when such action may affect the status of the debts, the borrower's ability to pay, or otherwise have a bearing on the final decision to be made with respect

to the settlement. It is the responsibility of County Supervisors to service adequately all debts, and the security therefor, with respect to which adjustments have been approved. When it is determined that a borrower has failed to comply reasonably with the terms of such agreements, they will become inoperative and any payments made thereunder will be retained as payments on the debt owed at the time of application. Payments made under an approved adjustment settlement which is later voided may not be used as any part of a subsequent compromise or adjustment offer.

(j) An application with which the borrower offers a lump-sum payment in compromise, or with which he offers an initial payment on an adjustment offer, will be supported by the payments required therein at the time such application is filed in the County Office. When applications for settlement contain an offer to pay a specified amount upon notice of approval of the proposed settlement, the case will be handled as an "adjustment offer" rather than as a "compromise offer." Payments, other than those referred to in paragraph (e) (3) of this section, may be in any form that is acceptable to the Farmers Home Administration as payments on accounts and will be receipted for, by officials of the Farmers Home Administration who are authorized to accept collections, on Form FHA-37, "Receipt for Payment."

(k) Proceeds derived from the sale of security property, including crop security, will not be used in making a compromise or adjustment offer. Such proceeds are subject to application on the borrower's account, irrespective of an application for settlement of debts and, therefore, cannot be returned to the borrower if the offer is rejected. After such proceeds are received for credit to the borrower's account, he may then apply for settlement of his remaining indebtedness.

(l) Notes evidencing debts settled upon application will be returned to borrowers. Notes evidencing debts canceled without application, except those evidencing charged-off State Rural Rehabilitation Corporation claims, Regional Agricultural Credit Corporation loans, and judgment debts of deceased or bankrupt borrowers, will be delivered to borrowers upon request, or if the borrower is deceased, to his legal representative or to some other person directly interested in the estate, preferably the surviving spouse.

(R. S. 161, sec. 41 (1), 60 Stat. 1066, sec. 1, 58 Stat. 836, sec. 1, 63 Stat. 43; 5 U. S. C. 22, 7 U. S. C. 1015 (1), 12 U. S. C. 1150, 1148a-1. Interprets or applies sec. 1, 63 Stat. 43, sec. 41 (g), 60 Stat. 1065, sec. 1, 2, 58 Stat. 836, sec. 2 (f), 64 Stat. 99; 12 U. S. C. 1148a-1, 7 U. S. C. 1015 (g), 12 U. S. C. 1150-1150a, 40 U. S. C. 440 (f))

§ 364.8 State Office handling. (a) Subject to the policies, procedure, and limitations set forth in this part, State Directors are authorized to approve compromise, adjustment, and cancellation of debts due the Farmers Home Administration upon application by borrowers, and to cancel or charge-off debts due the Farmers Home Administration without application. This authority may be re-

delegated to Assistant State Directors and Chiefs responsible for Production Loan operations, upon special authorization from the Administrator.

(b) Applications for settlement of rent accounts, D-1 and other lease accounts, accounts under Lease and Purchase Contracts that have been canceled, and other debts which have been reported to the General Accounting Office as uncollectible, but which it has not referred to the Department of Justice for collection, will be forwarded to the National Office. The application will then be referred to the General Accounting Office for disposition, or will, with the consent of the General Accounting Office, be processed by the Farmers Home Administration under the provisions of this part.

(c) The final action taken on an application for settlement will be indicated by the approving official, who will sign and date the original Form FHA-858.

(1) State Directors will notify borrowers, by letter, of the final action taken on their applications for settlement. For approved applications, the letter will set forth specifically the amount of the debt and the amount and terms of the offer. For rejected applications, the letter will set forth the reasons therefor, and any payments tendered on the application will be returned to the borrower.

(2) If a borrower fails to meet the terms of an approved adjustment settlement, the State Director may grant a reasonable extension of time within which compliance may be made. If an extension is granted, the State Director will notify the borrower, by letter, to that effect. When an adjustment offer is voided, the State Director will notify the borrower, by letter, of such action and the reasons therefor. The voiding of an adjustment offer will not preclude consideration of a later offer of settlement by the borrower, if a new application is submitted meeting all of the applicable requirements of this part.

(d) The final action taken with respect to the cancellation or charge-off of debts without application will be indicated by the approving official who will sign and date the original of Form FHA-859. If the proposed cancellation or charge-off is rejected, the reasons for rejection will be given.

(e) Any proposed debt settlement actions will be referred to the National Office for concurrence by the Administrator or his delegate before final approval or rejection when:

(1) Regardless of the amount of indebtedness on which settlement is requested, the total debt owed the Farmers Home Administration is \$10,000 or more, including, for this purpose, the total indebtedness of the borrower whether or not included in the settlement offer. When the debt on which settlement is requested is \$10,000 or more, a determination will be made in the National Office as to whether the offer will be submitted to the Treasury Department or to the Department of Justice for consideration.

(2) Two years has not elapsed between the due date of the final unpaid installment on the debt or the date of acceleration, and the date of the application for settlement.

(3) The debts on which settlement is requested include Rent accounts, D-1 and other lease accounts, accounts under Lease and Purchase Contracts that have been canceled, or any other debts which have been reported to the General Accounting Office as uncollectible, but have not been referred by it to the Department of Justice for collection.

(4) Debt settlement action is proposed and a further loan is contemplated.

(5) A judgment has been obtained by a private attorney employed by a Regional Agricultural Credit Corporation, or when a claim in connection with a Regional Agricultural Credit Corporation loan is still in the hands of such attorney.

(6) The proposed debt settlement action is for an active borrower who is receiving supervision or who has progressed to the extent that he is able to make needed adjustments and improvements without further supervisory assistance.

(7) One obligor applies for a compromise or adjustment settlement and the other obligor does not join in the application or execute a separate application; except when the applicable requirements of § 364.6 (c) (1), (2) or (3) have been met with respect to the obligor from whom an application is not received.

(8) The borrower receives all or a part of his income from Federal employment.

(9) A request is received for settlement of the debts described in § 364.1 (a) (1) (iv)-(vii).

(10) The State Director wishes to obtain the views of the National Office on any proposed settlements not described in subparagraphs (1)-(8) of this paragraph.

(11) The borrower's account (i) is involved in a fiscal irregularity investigation case upon which final action has not been taken, or (ii) shows evidence that a shortage may exist and that an investigation should be made into the matter.

(R. S. 161, sec. 41 (1), 60 Stat. 1066, sec. 1, 58 Stat. 836, sec. 1, 63 Stat. 43; 5 U. S. C. 22, 7 U. S. C. 1015 (1), 12 U. S. C. 1150, 1148a-1. Interprets or applies sec. 1, 63 Stat. 43, sec. 41 (g), 60 Stat. 1065, sec. 1, 2, 58 Stat. 836, sec. 2 (f), 64 Stat. 99; 12 U. S. C. 1148a-1, 7 U. S. C. 1015 (g), 12 U. S. C. 1150-1150a, 40 U. S. C. 440 (f))

§ 364.9 Debt settlement action in the National Office. The Deputy Administrators; the Assistant Administrators; the Director, Production Loan Division; the Director, Farm Ownership Division; and the Chief, Debt Adjustment Section, Production Loan Division, severally and not jointly, subject to general supervision of the Administrator, may do all things the Administrator is required or empowered to do in connection with the debt settlement activities and operations in the National Office with respect to debts owed to the Farmers Home Administration, including, but not limited to, the exercise of the authorities contained in the act of Congress, approved December 20, 1944 (58 Stat. 836; 12 U. S. C. 1150), the Farmers Home Administration Act of 1946, approved August 14, 1946, as amended (60 Stat. 1062; 7 U. S. C. 1000), the act of Congress, approved April 6, 1949 (63 Stat. 43; 12 U. S. C. 1148a-1), Title V of the Housing

Act of 1949 (63 Stat. 432; 42 U. S. C. 1471), and the trust agreements with the various State Rural Rehabilitation Corporations. Such functions include but are not limited to the approval and disapproval of applications for the compromise, adjustment, cancellation, charge-off, and reduction to zero of debts pursuant to the within named acts and trust agreements.

(R. S. 161, sec. 41 (1), 60 Stat. 1066; 5 U. S. C. 22, 7 U. S. C. 1015 (1). Interprets or applies sec. 1, 58 Stat. 836, sec. 1, 63 Stat. 43, sec. 510, 63 Stat. 437; 12 U. S. C. 1150, 1148a-1, 42 U. S. C. 1480)

§ 364.10 Reduction of corporation indebtedness to zero—(a) Purpose, scope, and source of authority. Indebtedness of corporations meeting the conditions set forth in paragraph (c) of this section may be reduced to zero without application or request from the corporation. Cases in which applications or requests for debt settlement are received from corporations, as well as other cases not covered by this section, will be submitted to the National Office for consideration and further instructions. The reduction of indebtedness to zero will eliminate any necessity for further servicing or accounting activities with respect thereto. Authority for the reduction of indebtedness to zero is derived from section 41 (g) of title IV of the Bankhead-Jones Farm Tenant Act, as amended by the Farmers Home Administration Act of 1946, and transfer agreements between the Government and the various State Rural Rehabilitation Corporations.

(b) Definitions. For the purpose of this section, the following definitions are applicable:

(1) "Indebtedness" is the amount (including interest) owed by a corporation to the United States and under the jurisdiction of the Farmers Home Administration, including indebtedness on claims being administered by the Farmers Home Administration under transfer agreements with State Rural Rehabilitation Corporations. Such indebtedness may be for loans, rents, or other charges or advances.

(2) "Reduction to zero" is the final discharge of a debt without any payment thereon, except that in the case of State Rural Rehabilitation Corporation claims, it is the charging off of the claim as an asset.

(c) Conditions for settlement. State Directors are authorized to take such action as may be necessary to reduce indebtedness of corporations to zero without application or request from the corporation, when the following conditions exist:

(1) The corporation has not made an application or request for debt settlement.

(2) If an indebtedness has been reported to the General Accounting Office on Form FHA-752, "Reply to General Accounting Office Inquiry," as uncollectible, the State Director has obtained clearance from the National Office before proceeding with the reduction to zero.

(3) The claim is not pending before the Department of Justice for collection.

(4) A final liquidation report on the corporation has been submitted to, and approved by, the Administrator.

(5) The amount remaining on the indebtedness, including principal, interest, and other charges, is less than \$10,000.

(6) All of the Government's security for the indebtedness has been properly applied on the corporation's account.

(7) All possibilities of making further collections on the indebtedness have been exhausted and the corporation has no assets of value and no present or prospective ability to make further payments on the indebtedness, or the amount which might be realized through further collection efforts would not justify the expense which would be involved.

(8) The indebtedness has not been assumed, in whole or in part, by another party.

(9) The corporation has acted in good faith and there is no evidence that it has concealed or disposed of any assets to avoid payment of its indebtedness to the Government.

(10) The Government does not hold any of the corporation's property or assets as security for the indebtedness.

(11) The corporation's corporate existence has been dissolved, or the corporation has been inactive from the standpoint of program operations for the past twelve months, and does not contemplate reactivation, but plans to forfeit or dissolve its organizational existence.

(d) Processing. Reduction to zero of indebtedness of a corporation must be recommended by the appropriate County Supervisor and County Committee. The Area Finance Manager will stamp notes, rental contracts and ledger cards representing indebtedness (other than on State Rural Rehabilitation Corporation claims) "Satisfied by Approved Cancellation." All such instruments, whether representing State Rural Rehabilitation Corporation or other claims, will be retained in the Area Finance Office.

(Sec. 41 (1), 60 Stat. 1066; 7 U. S. C. 1015 (1). Interprets or applies sec. 41 (g), 60 Stat. 1065; 7 U. S. C. 1015 (g))

[EAL] DILLARD B. LASSETER,
Administrator,
Farmers Home Administration.

OCTOBER 26, 1951.

Approved: November 16, 1951.

CHARLES F. BRANNAN,
Secretary of Agriculture.
[F. R. Doc. 51-13939; Filed, Nov. 21, 1951;
8:55 a. m.]

Chapter IV—Production and Marketing Administration and Commodity Credit Corporation, Department of Agriculture

Subchapter B—Export and Diversion Programs [Amdt. 1]

PART 517—FRUITS AND BERRIES, FRESH SUBPART—FRESH WINTER PEAR EXPORT PAYMENT PROGRAM (FISCAL YEAR 1952)

ELIBILITY FOR PAYMENT

Section 517.278 *Eligibility for payment* is hereby amended by deleting paragraph (h) and inserting in lieu thereof the following:

(h) *Final dates.* The final date for mailing or delivering Form FV-461, "Application for Export Payment," shall be 12:00 o'clock midnight, e. s. t., November 30, 1951. The final date of export shall be 12:00 o'clock midnight, e. s. t., June 30, 1952. The final date for filing claims for payment (§ 517.279) shall be 12:00 o'clock midnight, e. s. t., July 31, 1952.

Effective date. This amendment shall become effective at 12:01 a. m., e. s. t., November 21, 1951.

(Sec. 32, 49 Stat. 774, as amended, sec. 112, 62 Stat. 146; 7 U. S. C. 612c, 22 U. S. C. Sup. 1510)

Dated this 19th day of November 1951.

S. R. SMITH,
Authorized Representative of
the Secretary of Agriculture.

[F. R. Doc. 51-14003; Filed, Nov. 21, 1951;
8:54 a. m.]

TITLE 7—AGRICULTURE

Chapter IX—Production and Marketing Administration (Marketing Agreements and Orders), Department of Agriculture

PART 959—IRISH POTATOES GROWN IN THE COUNTIES OF CROOK, DESCHUTES, JEFFERSON, KLAMATH, AND LAKE IN OREGON, AND MODOC AND SISKIYOU IN CALIFORNIA

APPROVAL OF BUDGET OF EXPENSES AND FIXING RATE OF ASSESSMENT

Correction

In F. R. Doc. 51-13508, appearing at page 11413 of the issue for Friday, November 9, 1951, the following change should be made:

In paragraph (b) of § 959.204 the phrase "The rate of assessment to be paid each handler" should be changed to: "The rate of assessment to be paid by each handler" so that paragraph (b) will read:

(b) The rate of assessment to be paid by each handler who first ships potatoes shall be one-fourth of one cent (\$0.0025) per hundredweight of potatoes handled by him as the first handler thereof during said fiscal year;

TITLE 15—COMMERCE AND FOREIGN TRADE

Chapter III—Bureau of Foreign and Domestic Commerce, Department of Commerce

Subchapter C—Office of International Trade [5th Gen. Rev. of Export Regs. Amdt. P. L. 63¹]

PART 399—POSITIVE LIST OF COMMODITIES AND RELATED MATTERS

MISCELLANEOUS AMENDMENTS

Section 399.1 *Appendix A—Positive List of Commodities*, is amended in the following particulars:

1. The following commodities are added to the Positive List:

¹ This amendment was published in Current Export Bulletin No. 647, dated November 15, 1951.

Dept. of Commerce Schedule B No.	Commodity	Unit	Processing code and related commodity group	GLV dollar value limits	Validated license required
837990	Sodium compounds, n. e. s.: Sodium nitrate, except as fertilizer or medicinal (report fertilizer in 850700; medicinal in 813593).	Lb.....	FERT	300	RO
838500	Ammonium compounds, except fertilizers (report fertilizers and fertilizer materials in 850500-855100):				
838500	Ammonium compounds, n. e. s.:				
838500	Ammonium phosphate.....	Lb.....	FERT	300	RO
838500	Ammonium sulfate.....	Lb.....	FERT	300	RO
850500	Nitrogenous fertilizer materials:				
850700	Nitrogenous chemical materials:				
850700	Ammonium sulfate.....	Lb.....	FERT	300	RO
854100	Sodium nitrate, n. e. s.:	Lb.....	FERT	300	RO
854100	Nitrogenous phosphatic types:				
854100	Ammonium phosphates.....	Lb.....	FERT	300	RO
854900	Other nitrogenous phosphatic types (specify by name).....	Lb.....	FERT	300	RO
855100	Prepared fertilizer mixtures.....	Lb.....	FERT	300	RO

This part of the amendment shall become effective as of 12:01 a. m., November 21, 1951.

2. The following are changed from R to RO commodities:

Dept. of Commerce Schedule B No.	Commodity	Unit	Processing code and related commodity group	GLV dollar value limits	Validated license required
838500	Ammonium compounds, except fertilizers (report fertilizers and fertilizer materials in 850500-855100): Ammonium compounds, n. e. s.:				
838500	Urea ¹		FERT	300	RO

¹ The GLV dollar-value limit is increased from \$100 to \$300.

This part of the amendment shall become effective as of 12:01 a. m., November 21, 1951.

3. The following revisions are made in commodity descriptions. These revisions include changes in validated license control.

Dept. of Commerce Schedule B No.	Commodity	Unit	Processing code and related commodity group	GLV dollar value limits	Validated license required
379800	Silk noils and waste, except silk rags, new and used, and silk stockings, used. ¹	Lb.....	TEXT	100	RO
812390	Biologics, all forms:				
812390	ACTH (adreno cortico tropic hormone) ²		DRUG	25	R
812390	Cortisone (11-dehydro-17-hydroxycorticosterone) ²		DRUG	25	R
812390	Other glandular products, n. e. s. (specify by name) ³		DRUG	500	R
850900	Nitrogenous fertilizer materials:				
850900	Nitrogenous chemical materials, n. e. s. (specify by name). ⁴	Lb.....	FERT	300	RO

¹ The effect of this revision is to delete from the Positive List silk rags, new and used, and silk stockings, used.

² The effect of this revision is to establish a separate GLV dollar-value of \$25 each for ACTH and cortisone, and to raise from \$25 to \$500 the GLV dollar-value limit for all other glandular products classified under this Schedule B number.

³ The effect of this revision is to extend to all nitrogenous chemical materials, n. e. s. classified under this Schedule B number the Positive List coverage formerly applicable only to such materials containing ammonium nitrate. The former related commodity group number "3" is deleted.

This part of the amendment shall become effective as of 12:01 a. m., November 21, 1951, except for the revision of the entry under Schedule B No. 379800 (silk noils and waste) which shall become effective as of November 6, 1951.

4. The following commodities are deleted from the Positive List:

Dept. of Commerce Schedule B No.	Commodity
302200	Wool rags, woven and knit.
399900	Second-hand and used clothing (wool chief value).

This part of the amendment shall become effective as of November 6, 1951.

5. The processing code and related commodity group symbols as set forth opposite the commodities listed below are amended to read as follows:

Dept. of Commerce Schedule B No.	Commodity	Processing code
813576	Penicillin.....	DRUG
813577	Streptomycin.....	DRUG
813579	Antibiotics, n. e. s. (specify by name).....	DRUG
830300	Sebacic acid ¹	ORGN
850800	Ammonium nitrate.....	FERT
853000	Potassium chloride.....	FERT
853100	Potassium sulfate.....	FERT

¹ As a result of this revision the provisions of § 373.1 of this chapter are extended to cover sebacic acid.

This part of the amendment shall become effective as of November 15, 1951. Shipments of any commodities removed from general license to Country Group R or Country Group O destinations, or whose GLV dollar-value limits were reduced, as a result of changes set forth in Parts 1, 2, and 3 of this amendment which were on dock, on lighter, laden aboard an exporting carrier, or in

transit to a port of exit pursuant to actual orders for export prior to 12:01 a. m., November 21, 1951, may be exported under the previous general license provisions up to and including December 15, 1951. Any such shipment not laden aboard the exporting carrier on or before December 15, 1951, requires a validated license for export.

Section 399.3 Appendix C—Commodity Processing Codes, is amended in the following particulars:

The processing codes for certain commodities are amended to read as set forth below:

Dept. of Commerce Schedule B No.	Commodity	Processing code
830200	Tartaric acid.....	ORGN
830300	Sebacic acid.....	ORGN
830300	Other organic acids and anhydrides. ¹	ORGN

¹ Naphthenic acid, Schedule B No. 830300, retains the processing code SALT.

This part of the amendment shall become effective as of November 15, 1951.

(Sec. 3, 63 Stat. 7; 50 U. S. C. App. Sup. 2023. E. O. 9630, Sept. 27, 1945, 10 F. R. 12245; 3 CFR, 1945 Supp.; E. O. 9919, Jan. 3, 1948, 13 F. R. 59; 3 CFR, 1948 Supp.)

LORING K. MACY,

Director,

Office of International Trade.

[F. R. Doc. 51-13951; Filed, Nov. 21, 1951; 8:48 a. m.]

TITLE 14—CIVIL AVIATION

Chapter II—Civil Aeronautics Administration, Department of Commerce

[Amdt. 3]

PART 609—STANDARD INSTRUMENT APPROACH PROCEDURES

VERY HIGH FREQUENCY OMNI-DIRECTIONAL RANGE PROCEDURES DETERMINATION

EDITORIAL NOTE: In F. R. Doc. 51-13224, appearing at page 11238 of the issue for Saturday, November 3, 1951, the following changes should be made:

1. The section headnote "§ 609.13 Very high frequency omni-directional range procedures determination" should read "§ 609.14 Very high frequency omni-directional range procedures determination."

2. In the first sentence of paragraph (a) "§ 609.14" should read "§ 609.15."

TITLE 16—COMMERCIAL PRACTICES

Chapter I—Federal Trade Commission

[Docket 2981]

PART 3—DIGEST OF CEASE AND DESIST ORDERS

ARABIAN TOILET GOODS CO.

Subpart—Misbranding or mislabeling: § 3.1185 Composition; § 3.1215 Government, official or other sanctions; § 3.1290 Qualities or properties. Subpart—Misrepresenting oneself and

goods; goods: § 3.1590 *Composition*; § 3.1630 *Government guarantee*; § 3.1740 *Scientific or other relevant facts*. Subpart—*Offering unfair, improper and deceptive inducements to purchase or deal*: § 3.1970 *Government guarantee*. In connection with the offering for sale, sale and distribution of cosmetics in interstate commerce, or in the District of Columbia, (1) using the term "Certified Cosmetic" or any other term of similar import or meaning to describe or refer to cosmetic products unless the identity of the certifier is clearly disclosed in direct connection therewith; (2) representing that its skin cream now designated as Wrinkle Creme, or any other cream containing substantially the same ingredients or possessing the same properties, sold under that name or any other name, (a) will nourish or rejuvenate the skin; (b) will remove wrinkles and lines from the skin; or, (c) contains turtle oil or is guaranteed by the United States Government to contain pure turtle oil; (3) representing that turtle oil has been successfully used by the United States Government in removing scar tissue and wrinkles from wounded soldiers; or, (4) representing that the use of turtle oil has been indorsed or approved by the United States Government as a skin food and rejuvenator; prohibited.

(Sec. 6, 38 Stat. 721; 15 U. S. C. 46. Interprets or applies sec. 5, 38 Stat. 719, as amended; 15 U. S. C. 45) [Modified cease and desist order, Arabian Toilet Goods Company, Docket 2981, October 4, 1951]

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission, the answer of respondent, testimony and other evidence taken before a trial examiner of the Commission theretofore duly designated by it, in support of the allegations of said complaint and in opposition thereto, and briefs in support of the complaint and in opposition thereto (no oral argument having been requested), the Commission, having made its findings as to the facts and its conclusion that said respondent had violated the provisions of the Federal Trade Commission Act, on January 20, 1938, issued and subsequently served upon the respondent said findings as to the facts, conclusion and its order to cease and desist. Thereafter, upon motion of the Chief Counsel for the Commission to modify the order to cease and desist in certain respects, proper notice and opportunity to be heard having been given to respondent, the Commission on December 16, 1939, issued and subsequently served upon the respondent its modified order to cease and desist.

Thereafter, this matter came on for reconsideration by the Commission upon its own motion to reopen this proceeding for the purpose of further modifying the order to cease and desist herein, no answer having been filed by respondent in response to an order served on it by the Commission notifying respondent of the Commission's said motion and granting to it leave to show cause why the order to cease and desist should not be so modified, and the Commission having reconsidered the matter and being of the opinion that its modified order to cease

and desist issued on December 16, 1939, should be further modified in certain respects:

It is ordered, That the respondent, Arabian Toilet Goods Company, Inc., a corporation, its officers, representatives, agents, and employees, in connection with the offering for sale, sale and distribution of cosmetics in interstate commerce or in the District of Columbia, do forthwith cease and desist from:

(1) Using the term "Certified Cosmetic" or any other term of similar import or meaning to describe or refer to cosmetic products unless the identity of the certifier is clearly disclosed in direct connection therewith.

(2) Representing that its skin cream now designated as Wrinkle Creme, or any other cream containing substantially the same ingredients or possessing the same properties, sold under that name or any other name:

(a) Will nourish or rejuvenate the skin;

(b) Will remove wrinkles and lines from the skin;

(c) Contains turtle oil or is guaranteed by the United States Government to contain pure turtle oil.

(3) Representing that turtle oil has been successfully used by the United States Government in removing scar tissue and wrinkles from wounded soldiers.

(4) Representing that the use of turtle oil has been indorsed or approved by the United States Government as a skin food and rejuvenator.

Issued: October 4, 1951.

By the Commission.

[SEAL]

D. C. DANIEL,
Secretary.

[F. R. Doc. 51-13955; Filed, Nov. 21, 1951;
8:50 a. m.]

[Docket 5840]

PART 3—DIGEST OF CEASE AND DESIST ORDERS

NEW YORK FEATHER CO., INC., ET AL.

Subpart—*Misbranding or mislabeling*: § 3.1185 *Composition*. Directly or through any corporate or other device in commerce, misrepresenting in any manner or by any means, directly or by implication, the material of which respondents' pillows are made; prohibited.

(Sec. 6, 38 Stat. 721; 15 U. S. C. 46. Interprets or applies sec. 5, 38 Stat. 719, as amended; 15 U. S. C. 45) [Cease and desist order, New York Feather Company, Inc. et al., Docket 5840, October 2, 1951]

In the Matter of New York Feather Company, Inc., a Corporation, and Joseph Yurkowitz and Mandel Yurkowitz, Individually and as Officers of Said Corporation

This proceeding was heard by William L. Pack, trial examiner, upon the complaint of the Commission, respondents' answer, and a stipulation whereby it was stipulated and agreed that a statement of facts executed by counsel supporting the complaint and counsel for respondents might be taken as the facts in the

proceeding and in lieu of evidence in support of and in opposition to the charges stated in the complaint, and that such statement of facts might serve as the basis for findings as to the facts and conclusion based thereon and an order disposing of the proceeding.

Said stipulation contained reservation by counsel for respondents of the right to file proposed findings and conclusions and to argue the matter orally before the trial examiner, subsequently waived, and also provided that upon appeal to or review by the Commission, the stipulation might be set aside by it and the matter remanded for further proceeding under the complaint.

Thereafter the proceeding regularly came on for final consideration by said trial examiner upon the complaint, answer, and stipulation, and said trial examiner, having approved said stipulation and duly considered the record in the matter, and having found the proceeding in the interest of the public, made his initial decision comprising certain findings as to the facts, conclusion drawn therefrom, and order to cease and desist.

No appeal having been filed from said initial decision of said trial examiner as provided for in Rule XXII, nor any other action taken as thereby provided to prevent said initial decision becoming the decision of the Commission thirty days from service thereof upon the parties, said initial decision, including said order to cease and desist, accordingly, under the provisions of said Rule XXII became the decision of the Commission on October 2, 1951.

The said order to cease and desist is as follows:

It is ordered, That the respondents, New York Feather Company, Inc., a corporation, and its officers, and Joseph Yurkowitz and Mandel Yurkowitz, individually and as officers of said corporation, and respondents' representatives, agents and employees, directly or through any corporate or other device in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from: Misrepresenting in any manner or by any means, directly or by implication, the materials of which respondents' pillows are made.

By "Decision of the Commission and order to file report of compliance," Docket 5840, October 2, 1951, which announced and decreed fruition of said initial decision, report of compliance with the said order was required as follows:

It is ordered, That the respondents herein shall, within sixty (60) days after service upon them of this order, file with the Commission a report in writing setting forth in detail the manner and form in which they have complied with the order to cease and desist.

Issued: October 2, 1951.

By the Commission.

[SEAL]

D. C. DANIEL,
Secretary.

[F. R. Doc. 51-13953; Filed, Nov. 21, 1951;
8:49 a. m.]

[Docket 5868]

PART 3—DIGEST OF CEASE AND DESIST ORDERS

PENNSYLVANIA OIL TERMINAL, INC., ET AL.

Subpart—Advertising falsely or misleadingly: § 3.30 Composition of goods; § 3.235 Source or origin; place. Subpart—Misbranding or mislabeling: § 3.1185 Composition; § 3.1325 Source or origin; place. Subpart—Neglecting, unfairly or deceptively, to make material disclosure: § 3.1880 Old, used, reclaimed, or reused as unused or new. Subpart—Using misleading name; goods: § 3.2280 Composition; § 3.2345 Source or origin; place; vendor: § 3.2450 Products. In connection with the sale, offering for sale, and distribution in commerce, of lubricating oil, (1) using the name "Pennsylvania Oil Terminal, Inc." or any other name containing the word "Pennsylvania" or any abbreviation, derivation or simulation of the word "Pennsylvania" in conjunction with the brand name "Penolube," to designate or describe lubricating oil, any part of which is not derived from crude oil which has been extracted from that portion of western Pennsylvania, and contiguous portions of Ohio, New York and West Virginia, generally known as the Pennsylvania Oil Field; or, (2) advertising, selling, or offering for sale, any lubricating oil, which has been previously used for lubricating purposes, without disclosing such prior use to the purchaser or potential purchaser, either directly or by clear and conspicuous appropriate statement to that effect on the container; prohibited.

(Sec. 6, 38 Stat. 721; 15 U. S. C. 46. Interprets or applies sec. 5, 38 Stat. 719, as amended; 15 U. S. C. 45) [Cease and desist order, Pennsylvania Oil Terminal, Inc., et al., Docket 5868, October 4, 1951]

In the Matter of Pennsylvania Oil Terminal, Inc., a Corporation, Douglas Price, Clara Price, Muriel C. Johnson, Individually and as Officers of Said Corporation, and Eugene K. Johnson, an Individual

This proceeding was heard by Frank Hier, trial examiner, upon the complaint of the Commission, and a hearing at which respondent Douglas Price, respondent corporation's president, and respondent Eugene K. Johnson, its former president, and holder of an exclusive license for the sale of its products within a certain territory, appeared without counsel, in the case of both, agreed with counsel for the Commission that certain allegations of fact made in the complaint were the facts, and gave testimony at their own request as to certain other allegations, which testimony was duly recorded and filed in the office of the Commission. While time was allowed therefor, no proposed findings of fact were filed.

Thereafter the proceeding regularly came on for final consideration by said trial examiner, theretofore duly designated by the Commission, on the complaint and the testimony, and said trial examiner, having duly considered the record, and having found that the proceeding was in the interest of the public, made his initial decision, comprising

certain findings as to the facts, conclusion drawn therefrom, and order, including order to cease and desist, and order of dismissal as to respondents Clara Price and Muriel C. Johnson (who, as found, were neither active in the business concerned nor exercised any control over its policies and practices).

Thereafter the matter was disposed of by the Commission's "Order denying appeal from initial decision of trial examiner and decision of the Commission and order to file report of compliance", Docket 5868, October 4, 1951, as follows:

This matter coming on to be heard by the Commission upon the motion of counsel supporting the complaint that the initial decision of the trial examiner issued on June 11, 1951, be placed on the Commission's own docket, that said initial decision be vacated and set aside, and that Paragraph Five of the complaint herein be amended and the case thereafter be remanded to the trial examiner for the purpose of receiving proof in support of the complaint as amended, which motion the Commission has considered an appeal by counsel supporting the complaint from the trial examiner's initial decision; and

It appearing that the grounds relied upon in support of said appeal are that the trial examiner construed the allegations of Paragraph Five of the complaint in a manner different from that which was intended and that the public interest requires the action requested; and

The Commission having duly considered said appeal and the record herein and being of the opinion that the trial examiner was not in error in construing the complaint herein as not charging that respondents' use of the brand name "Penolube" alone is false, misleading, or deceptive, and that it would not be proper to amend the complaint at this stage of the proceeding to include such a charge, and being of the further opinion that the trial examiner's initial decision is appropriate in all respects to dispose of all the issues in this proceeding:

It is ordered, That the appeal of counsel supporting the complaint from the initial decision of the trial examiner and the requests therein be, and they hereby are, denied.

It is further ordered, That the attached initial decision of the trial examiner shall, on the 4th day of October 1951, become the decision of the Commission.

It is further ordered, That the respondents, except Clara Price and Muriel C. Johnson, shall, within sixty (60) days from the service of this order, file with the Commission a report, in writing, setting forth in detail the manner and form in which they have complied with the order to cease and desist.

The said order in said initial decision is as follows:

It is ordered, That Pennsylvania Oil Terminal, Inc., a corporation, its officers, employees, agents and representatives, Douglas Price, individually and as an officer of such corporation, and Eugene K. Johnson, their agents, employees and representatives, through any corporate or other device, in connection with the sale, offering for sale, and distribution

in commerce, as "commerce" is defined in the Federal Trade Commission Act, of lubricating oil, do forthwith cease and desist from:

1. Using the name "Pennsylvania Oil Terminal, Inc." or any other name containing the word "Pennsylvania" or any abbreviation, derivation or simulation of the word "Pennsylvania" in conjunction with the brand name "Penolube," to designate or describe lubricating oil, any part of which is not derived from crude oil which has been extracted from that portion of western Pennsylvania, and contiguous portions of Ohio, New York and West Virginia, generally known as the Pennsylvania Oil Field;

2. Advertising, selling, or offering for sale, any lubricating oil, which has been previously used for lubricating purposes, without disclosing such prior use to the purchaser or potential purchaser, either directly or by clear and conspicuous appropriate statement to that effect on the container.

It is further ordered, That the complaint be and the same hereby is dismissed as to respondents Clara Price and Muriel C. Johnson.

Issued: October 4, 1951.

By the Commission.

[SEAL]

D. C. DANIEL,
Secretary.

[F. R. Doc. 51-13954; Filed, Nov. 21, 1951; 8:50 a. m.]

TITLE 21—FOOD AND DRUGS

Chapter I—Food and Drug Administration, Federal Security Agency

PART 141—TESTS AND METHODS OF ASSAY FOR ANTIBIOTIC AND ANTIBIOTIC-CONTAINING DRUGS

PART 146—CERTIFICATION OF BATCHES OF ANTIBIOTIC AND ANTIBIOTIC-CONTAINING DRUGS

DIBENZYLETHYLENEDIAMINE DIPENICILLIN G (SALT AND ORAL SUSPENSION)

By virtue of the authority vested in the Federal Security Administrator by the provisions of section 507 of the Federal Food, Drug, and Cosmetic Act (52 Stat. 1040, 1055, as amended by 59 Stat. 463, 61 Stat. 11, 63 Stat. 409; 21 U. S. C. 357), the regulations for tests and methods of assay for antibiotic and antibiotic-containing drugs (21 CFR, 1950 Supp., 141) and certification of batches of antibiotic and antibiotic-containing drugs (21 CFR, 1950 Supp., 146) are amended as indicated below:

1. Part 141 is amended by adding the following new sections:

§ 141.47 *Dibenzylethylenediamine dipenicillin G*—(a) *Potency*. Proceed as directed in § 141.1, except in lieu of paragraph (d) of that section dissolve the sample to be tested in sufficient dimethyl formamide prior to diluting with phosphate buffer solution.

(b) *Sterility*. Proceed as directed in § 141.2.

(c) *Toxicity*. Proceed as directed in § 141.4, except use physiological salt solution as the diluent and inject 0.25 mil-

milliliter of a suspension containing 4,000 units per milliliter.

(d) *Pyrogens*. Proceed as directed in § 141.3, except use physiological salt solution as the diluent and inject 0.5 milliliter per kilogram of rabbit of a suspension containing 4,000 units per milliliter.

(e) *Moisture*. Proceed as directed in § 141.26 (e).

(f) *pH*. Proceed as directed in § 141.5 (b), using a saturated aqueous solution prepared by adding 5 milligrams per milliliter.

(g) *Microscopical test for crystallinity*. Proceed as directed in § 141.5 (c).

(h) *Penicillin G content*. Dissolve 50 milligrams of the sample, accurately weighed, in absolute methyl alcohol and make to a volume of 100 milliliters with absolute methyl alcohol. With a suitable spectrophotometer determine the optical density of the solution in a 1-centimeter cell at 263 m μ compared with absolute methyl alcohol as a blank. Multiply the optical-density figure obtained by the appropriate factor to obtain the optical-density value of a 1-percent solution. The $\frac{1\%}{1\text{ cm}}$ value

of the sample multiplied by 100, divided by 7.0, represents the percent penicillin G in the sample.

§ 141.48 *Dibenzylethylenediamine dipenicillin G oral suspension*—(a) *Potency*. Proceed as directed in § 141.47 (a).

(b) *pH*. Proceed as directed in § 141.5 (b), using the undiluted aqueous suspension.

2. Part 146 is amended by adding the following new sections:

§ 146.68 *Dibenzylethylenediamine dipenicillin G*. (*dibenzylethylenediamine dipenicillin G*, salt)—(a) *Standards of identity, strength, quality, and purity*. Dibenzylethylenediamine dipenicillin G is the crystalline N,N'-dibenzylethylenediamine salt of penicillin G. It contains not less than 85 percent by weight of the N,N'-dibenzylethylenediamine salt of penicillin G. Each such drug is so purified and dried that:

(1) Its potency is not less than 1050 units per milligram.

(2) It is sterile.

(3) It is nontoxic.

(4) It is nonpyrogenic.

(5) Its moisture content is not more than 8 percent.

(6) Its pH in a saturated aqueous solution is not less than 5.0 and not more than 7.5.

(b) *Packaging*. In all cases the immediate containers shall be tight containers as defined by the U. S. P., shall be sterile at the time of filling and closing, shall be so sealed that the contents cannot be used without destroying the seal, and shall be of such composition as will not cause any change in the strength, quality, or purity of the contents beyond any limit therefor in applicable standards, except that minor changes so caused which are normal and unavoidable in good packaging, storage, and distribution practice shall be disregarded.

(c) *Labeling*. Each package shall bear on its outside wrapper or container

and the immediate container, as hereinafter indicated, the following:

(1) The batch mark.

(2) The weight of the drug and the number of units in the immediate container.

(3) The statement "Expiration date _____," the blank being filled in with the date which is 24 months after the month during which the batch was certified.

(4) The statement "For manufacturing use only."

(d) *Request for certification, check tests and assays; samples*. (1) In addition to complying with the requirements of § 146.2, a person who requests certification of a batch shall submit with his request a statement showing the batch mark, the number of packages of each size in the batch, the weight of the drug and the number of units in each package, and (unless it was previously submitted) the date on which the latest assay of the drug comprising such batch was completed. Such request shall be accompanied or followed by the results of tests and assays made by him on the batch for potency, sterility, toxicity, pyrogens, moisture, pH, crystallinity, and the penicillin G content.

(2) Such person shall submit with his request an accurately representative sample of the batch, consisting of the following:

(i) For all tests except sterility; 10 packages.

(ii) For sterility test; 10 packages.

Each such package shall contain approximately 300 milligrams taken from different parts of such batch, and each shall be packaged in accordance with the requirements of paragraph (b) of this section.

(3) In connection with contemplated requests for certification of batches of another drug in the manufacture of which dibenzylethylenediamine dipenicillin G is to be used, the manufacturer of a batch which is to be so used may request the Commissioner to make check tests and assays on a sample of such batch, taken as prescribed by subparagraph (2) of this paragraph. From the information required by subparagraph (1) of this paragraph may be omitted results of tests and assays not required for the batch when used in such other drug. The Commissioner shall report to such manufacturer results of such check tests and assays as are so requested.

(e) *Fees*. The fee for the services rendered with respect to each batch under the regulations in this part shall be:

(1) \$4.00 for each immediate container in the sample submitted in accordance with paragraph (d) (2) (i) and (3) of this section.

(2) If the Commissioner considers that investigations, other than the examination of such immediate containers, are necessary to determine whether or not such batch complies with the requirements of § 146.3 for the issuance of a certificate, the cost of such investigations.

The fee prescribed by subparagraph (1) of this paragraph shall accompany the request for certification unless such fee

is covered by an advance deposit maintained in accordance with § 146.8 (d).

§ 146.69 *Dibenzylethylenediamine dipenicillin G oral suspension*—(a) *Standards of identity, strength, quality, and purity*. Dibenzylethylenediamine dipenicillin G oral suspension is dibenzylethylenediamine dipenicillin G and one or more suitable and harmless suspending or dispersing agents, buffer substances, and preservatives, with or without one or more suitable and harmless colorings and flavorings. Its potency is not less than 20,000 units per milliliter. Its pH is not less than 6.0 and not more than 7.0. The dibenzylethylenediamine dipenicillin G used conforms to the requirements of § 146.68 (a), except subparagraphs (2), (4), and (5) of that paragraph. Each other substance used, if its name is recognized in the U. S. P. or N. F., conforms to the standards prescribed therefor by such official compendium.

(b) *Packaging*. The immediate container shall be a tight container as defined by the U. S. P. and shall be of such composition as will not cause any change in the strength, quality, or purity of the contents beyond any limit therefor in applicable standards, except that minor changes so caused which are normal and unavoidable in good packaging, storage, and distribution practice shall be disregarded.

(c) *Labeling*. Each package shall bear on its label or labeling, as hereinafter indicated, the following:

(1) On the outside wrapper or container and the immediate container:

(i) The batch mark.

(ii) The number of units in each milliliter of the batch.

(iii) The name and quantity of each buffer substance and preservative used in making the batch.

(iv) The statement "Shake well."

(v) The statement "Expiration date _____," the blank being filled in with the date which is 18 months after the month during which the batch was certified.

(2) On the outside wrapper or container:

(i) Unless it is intended solely for veterinary use and is conspicuously so labeled, the statement "Caution: To be dispensed only by or on the prescription of a _____," the blank being filled in with the word "physician" or "dentist" or "veterinarian," or with any combination of two or all of these words, as the case may be.

(ii) Unless it is intended solely for veterinary use and is so labeled, a reference specifically identifying a readily available medical publication containing directions and precautions (including contraindications and possible sensitization) adequate for the use of such drug; or a reference to a brochure or other printed matter containing such directions and precautions, and a statement that such brochure and printed matter will be sent on request.

(3) On the circular or other labeling, within or attached to the package, if it is intended solely for veterinary use, directions and precautions adequate for the use of such drug, including:

- (i) Clinical indications.
- (ii) Dosage and administration.
- (iii) Contraindications.
- (iv) Untoward effects that may accompany administration, including those from any buffer substances present.

(d) *Request for certification; samples.* (1) In addition to complying with the requirements of § 146.2, a person who requests certification of a batch shall submit with his request a statement showing the batch mark, the number of packages of each size in such batch, the batch mark and (unless it was previously submitted) the date on which the latest assay of the dibenzylethylenediamine dipenicillin G used in making such batch was completed, the potency per milliliter of the batch, the date on which the latest assay comprising such batch was completed, the quantity of each ingredient used in making the batch, and a statement that each such ingredient conforms to the requirements prescribed therefor by this section.

(2) Except as otherwise provided in subparagraph (4) of this paragraph, such person shall submit in connection with his request results of the tests and assays listed after each of the following, made by him on an accurately representative sample of:

(i) The batch; average potency per milliliter, pH.

(ii) The dibenzylethylenediamine dipenicillin G used in making the batch; potency, toxicity, pH, crystallinity, and the penicillin G content.

(3) Except as otherwise provided by subparagraph (4) of this paragraph, such person shall submit in connection with his request, in the quantities hereinafter indicated, accurately representative samples of the following:

(i) The batch; one immediate container for each 5,000 immediate containers in the batch, but in no case less than 5 or more than 12 immediate containers, collected by taking single immediate containers at such intervals throughout the entire time of packaging the batch that the quantities packaged during the intervals are approximately equal.

(ii) The dibenzylethylenediamine dipenicillin G used in making the batch; 10 packages, each containing approximately equal portions of not less than 300 milligrams, packaged in accordance with the requirements of § 146.68 (b).

(iii) In case of an initial request for certification, each other ingredient used in making the batch; one package of each containing approximately 5 grams.

(4) No result referred to in subparagraph (2) (ii) of this paragraph, and no sample referred to in subparagraph (3) (ii) of this paragraph, is required if such result or sample has been previously submitted.

(e) *Fees.* The fee for the services rendered with respect to each batch under the regulations in this part shall be:

(1) \$4.00 for each package in the samples submitted in accordance with paragraph (d) (3) (i), (ii), and (iii) of this section.

(2) If the Commissioner considers that investigations, other than the ex-

amination of such immediate containers, are necessary to determine whether or not such batch complies with the requirements of § 146.3 for the issuance of a certificate, the cost of such investigations.

The fee prescribed by subparagraph (1) of this paragraph shall accompany the request for certification unless such fee is covered by an advance deposit maintained in accordance with § 146.8 (d).

(Sec. 701, 52 Stat. 1055; 21 U. S. C. 371)

This order, which provides for tests and methods of assay and certification of two new antibiotic preparations, dibenzylethylenediamine dipenicillin G and dibenzylethylenediamine dipenicillin G oral suspension, shall become effective upon publication in the FEDERAL REGISTER, since both the public and the affected industry will benefit by the earliest effective date, and I so find.

Notice and public procedure are not necessary prerequisites to the promulgation of this order, and I so find, since it was drawn in collaboration with interested members of the affected industry, and since it would be against public interest to delay providing for the aforesaid amendments.

Dated: November 16, 1951.

[SEAL] JOHN L. THURSTON,
Acting Administrator.

[F. R. Doc. 51-13918; Filed, Nov. 21, 1951;
8:45 a. m.]

TITLE 32A—NATIONAL DEFENSE, APPENDIX

Chapter III—Office of Price Stabilization, Economic Stabilization Agency

[Ceiling Price Regulation 22, Collation 3, Correction]

CPR 22—MANUFACTURERS' GENERAL CEILING PRICE REGULATION

COLLATION 3—INCLUDING AMENDMENTS 1-27

CORRECTION

Through typographical error, the section number immediately following section 47 of Collation 3 of Ceiling Price Regulation 22 was printed as section 43. This section should have been printed to read: "Sec. 48."

[Ceiling Price Regulation 53, Amdt. 1, Correction]

CPR 53—LEAD SCRAP MATERIALS, SECONDARY LEAD, AND ANTIMONIAL LEAD

CORRECTION

Due to clerical error, one sentence was omitted from Amendment 1 to Ceiling Price Regulation 53, issued October 22, 1951. Accordingly the following sentence is inserted immediately before the words "Table B" in this amendment to read as follows:

4. Section 7 (a), Table B, is amended to read as follows:

[Ceiling Price Regulation 81, Correction]

CPR 81—CEILING PRICES FOR FROZEN VEGETABLES OF THE 1951 PACK

CORRECTION

Through inadvertence, an error appears in CPR 81, section 4, (a) (2), the last sentence of which now begins: "If in any of these years, you did not have such purchases, but did not make sales to other processors of the same * * *."

The second "not" in the sentence makes the sentence meaningless. Accordingly, the sentence is corrected to begin as follows: "If, in any of these years, you did not have such purchases, but did make sales to other processors of the same * * *."

[Ceiling Price Regulation 22, Supplementary Regulation 2, Revision 1]

CPR 22—MANUFACTURERS' GENERAL CEILING PRICE REGULATION

SR 2—ALTERNATIVE METHOD FOR DETERMINING CEILING PRICES BY ADJUSTING CEILING PRICES ESTABLISHED UNDER THE GENERAL CEILING PRICE REGULATION RATHER THAN BASE PERIOD PRICES

Pursuant to the Defense Production Act of 1950, as amended (Pub. Law 774, 81st Cong., Pub. Law 96, 82nd Cong.), Executive Order 10161 (15 F. R. 6105), and Economic Stabilization Agency General Order No. 2 (16 F. R. 738), this Revision 1 to Supplementary Regulation 2, Ceiling Price Regulation 22 is hereby issued.

STATEMENT OF CONSIDERATIONS

Supplementary Regulation 2 to Ceiling Price Regulation 22 was issued in order to provide manufacturers under Ceiling Price Regulation 22 with an alternative method for determining ceiling prices by adjusting their prices under the General Ceiling Price Regulation rather than their base period prices. The considerations stated when this supplementary regulation was issued on May 1, 1951, apply equally to this revision.

The addition of section 402 (d) (4) to the Defense Production Act by the Defense Production Amendments of 1951, has made necessary the issuance of Supplementary Regulation 17 to Ceiling Price Regulation 22, permitting the adjustment of ceiling prices in conformity with the requirements of the amended act. One of the differences between Supplementary Regulation 17 and Ceiling Price Regulation 22, as originally issued, is that manufacturers who use Supplementary Regulation 17 are required to compute an overhead adjustment in addition to their labor and materials costs adjustments. This requires corresponding changes in Supplementary Regulation 2 so that manufacturers who elect to use Supplementary Regulation 17 may also avail themselves of the technique provided by Supplementary Regulation 2 to preserve their General Ceiling Price Regulation price relationships.

In addition, this revision of Supplementary Regulation 2 makes a number of minor changes of a technical nature

which are necessary for purposes of clarification but do not represent substantive alterations of Supplementary Regulation 2.

In the course of preparing Supplementary Regulation 17 consultations were held with a representative group of manufacturers. The issuance of this revision conforms with one of the specific recommendations made by this group.

Every effort has been made to conform this supplementary regulation to existing business practices, cost practices or methods, or means or aids of distribution. Insofar as any provisions of this supplementary regulation may operate to compel changes in the business practices, cost practices or methods, or means or aids to distribution, such provisions are found by the Director of Price Stabilization to be necessary to prevent circumvention or evasion of this supplementary regulation.

In the judgment of the Director of Price Stabilization, the provisions of this Revision 1 of Supplementary Regulation 2 to Ceiling Price Regulation 22 are generally fair and equitable and are necessary to effectuate the purposes of Title IV of the Defense Production Act of 1950, as amended.

REGULATORY PROVISIONS

Sec.

1. What this supplementary regulation does.
2. Applicability of this supplementary regulation.
3. How to calculate ceiling prices for all commodities you dealt in during your base period.
4. How to calculate ceiling prices for commodities you dealt in during your base period on the basis of a unit of your business, a category or a product line.
5. How to calculate an overhead adjustment factor.
6. Use of ceiling prices for base-period commodities determined under this supplementary regulation to establish ceiling prices for new commodities under Ceiling Price Regulation 22.
7. Applicability of provisions of Ceiling Price Regulation 22.
8. Option to propose an alternative method for obtaining your "price adjustment ratio."
9. Records.
10. Definitions.

AUTHORITY: Sections 1 to 10 issued under sec. 704, 64 Stat. 816, as amended; 50 U. S. C. App. Supp. 2154. Interpret or apply Title IV, 64 Stat. 803, as amended; 50 U. S. C. App. Supp. 2101-2110, E. O. 10161, Sept. 9, 1950, 15 F. R. 6105; 3 CFR, 1950 Supp.

SECTION 1. What this supplementary regulation does. This supplementary regulation provides you with an alternative method for determining ceiling prices. Under section 3 of CPR 22 and section 3 of SR 17 to CPR 22 the ceiling prices of commodities you dealt in during your base period are determined by adjusting the base-period prices of those commodities. Under this supplementary regulation the ceiling prices for these base-period commodities are determined by adjusting their GCPR ceiling prices. Ceiling prices for base-period commodities calculated under this supplementary regulation are to be used to establish the ceiling prices of commodities introduced since June 24, 1950, which are priced under sections 30, 31 or 32 of CPR 22.

Under this supplementary regulation your ceiling prices are determined in the following way. First, you calculate the average percentage increase over your base-period prices which you would be permitted under CPR 22 or under SR 17 to CPR 22. Second, you calculate the average percentage by which your GCPR ceiling prices exceed your base-period prices. A comparison of these two percentages provides you with a percentage adjustment, up or down, which you apply to your GCPR ceiling prices. This gives you your ceiling prices under this supplementary regulation for your base-period commodities. You may use this supplementary regulation for your entire business or for a unit of your business, a category, or a product line.

In addition, this supplementary regulation permits you to propose your own method for arriving at such a percentage adjustment. There are prescribed limitations upon the use of any such proposed method.

This section is intended only as a general description to aid in understanding this supplementary regulation; the following sections are controlling.

SEC. 2. Applicability of this supplementary regulation. This supplementary regulation applies only to commodities dealt in during your base period or commodities whose ceiling prices are established by reference to your base-period commodities.

SEC. 3. How to calculate ceiling prices for all commodities you dealt in during your base period. If you do not operate more than one plant you may determine your ceiling prices for all your commodities dealt in during your base period in the following manner:

(a) Add your labor cost adjustment factor, and your materials cost adjustment factor. The resulting total is referred to as your "total cost adjustment factor." If you are adjusting your ceiling prices under SR 17 to CPR 22, your "total cost adjustment factor" must also include an overhead adjustment factor. Section 5 of this supplementary regulation tells you how you calculate such a factor.

(b) Find the number of units of each commodity sold by you during your last fiscal year ended not later than December 31, 1950.

(c) Multiply the number of units of each commodity found under paragraph (b) of this section by your base-period price for that commodity. This gives you the value of your sales for each commodity at base-period prices. Add these amounts to find the total value of your sales at base-period prices.

(d) Multiply the number of units of each commodity found under paragraph (b) of this section by your GCPR ceiling price for that commodity to your largest buying class of purchaser. This gives you the value of your sales at GCPR prices for each commodity. Add these amounts to obtain the total value of your sales at GCPR prices.

(e) Divide the total value of your sales at GCPR prices found under paragraph (d) of this section by the value of your sales at base-period prices found under paragraph (c) of this section. This will

give you the average ratio between your GCPR prices and your base-period prices. This percentage is referred to as your "actual price ratio."

(f) Add 100 percent to your "total cost adjustment factor" derived under paragraph (a) of this section. The resulting percentage is referred to as your "permissible ceiling price ratio."

(g) Divide your "permissible ceiling price ratio" by your "actual price ratio." The resulting percentage is referred to as your "price adjustment ratio."

(h) Apply your "price adjustment ratio" to your GCPR ceiling prices for the commodities you are pricing. The GCPR ceiling prices you use are to the same largest buying class of purchasers you used in paragraph (c) of this section. This will give your ceiling prices for these commodities to that class of purchasers. Your ceiling prices to each of your other classes of purchasers shall be determined in accordance with section 3 (c) of CPR 22.

(i) If you use this section, it must be used for all of your commodities.

Example 1. Your labor cost adjustment factor calculated in accordance with section 8 (c) of CPR 22 is 3 percent. Your materials cost adjustment factor calculated in accordance with section 13 (d) of CPR 22 is 7 percent. Your "total cost adjustment factor" is therefore 10 percent. 100 percent plus 10 percent is 110 percent. This is your "permissible ceiling price ratio." Your "actual price ratio" derived under paragraph (e) of this section is 115 percent. 110 percent divided by 115 percent is 95.65 percent. This is your "price adjustment ratio." Multiply your GCPR ceiling prices for the commodities being priced by 95.65 percent (or decrease each price by 4.35 percent). This will give you new ceiling prices for these commodities. (Also see sample work sheet in Appendix A.)

Example 2. Your "permissible ceiling price ratio" is 110 percent, the same as in Example 1. However, your "actual price ratio" derived under paragraph (e) of this section is 105 percent. 110 percent divided by 105 percent is 104.76 percent. This is your "price adjustment ratio." You therefore multiply your GCPR ceiling prices for the commodities being priced by 104.76 percent (or increase each price by 4.76 percent). This will give you new ceiling prices for these commodities.

SEC. 4. How to calculate ceiling prices for commodities you dealt in during your base period on the basis of a unit of your business, a category or a product line. If you wish to determine your ceiling prices for all commodities produced in a particular unit of your business for which you regularly maintain separate accounts, or in a particular category or product line, you make the calculations prescribed in section 3 of this supplementary regulation. Your materials cost adjustment must be based upon the particular unit of your business, category, or product line whose ceiling prices you are adjusting, rather than upon your entire business. Your labor and your overhead adjustments may be based either upon your entire business or upon that particular unit of your business, category or product line. The "price adjustment ratio" you derive will be applied only to the GCPR ceiling prices for the commodities produced in that particular unit of your business, category or prod-

uct line. If you use this section, it must be used for all commodities produced in that particular unit of your business, product line, or category.

SEC. 5. How to calculate an overhead adjustment factor. If you are adjusting your ceiling prices under SR 17 to CPR 22, you will need to find an overhead adjustment factor before you can calculate your ceiling prices under the preceding sections. You do this as follows:

(a) Multiply the number of units of each commodity sold by you during your last fiscal year ended not later than December 31, 1950, by the overhead adjustment for that commodity found under section 12 or 13 of SR 17 to CPR 22. Add these amounts.

(b) Divide the result under (a) by the "total value of your sales at base-period prices." (The "total value of your sales at base-period prices" is the figure you find in section 3 (c) of this regulation.)

(c) The result of this division is your overhead adjustment factor.

SEC. 6. Use of ceiling prices for base-period commodities determined under this supplementary regulation to establish ceiling prices for new commodities under CPR 22. Ceiling prices for base-period commodities calculated under this supplementary regulation are to be used to establish the ceiling prices of commodities first offered for sale since June 24, 1950, which are priced under sections 30, 31 or 32 of CPR 22.

SEC. 7. Applicability of provisions of CPR 22. Except to the extent expressly modified or supplemented by this supplementary regulation, all provisions of CPR 22 and of SR 17 to CPR 22, including the reporting provisions, shall be applicable to any manufacturer who uses this supplementary regulation.

SEC. 8. Option to propose an alternative method for obtaining your "price adjustment ratio." (a) If you believe that your situation makes desirable the use of a pricing method under which your GCPR ceiling prices would be adjusted rather than your base-period prices, but you consider that the method prescribed in this supplementary regulation cannot practicably be used by you, you may propose an alternative method in the manner specified in paragraph (b) of this section. Your proposed method must take account of the same factors as the method prescribed in this supplementary regulation and must achieve the same basic results.

(b) You should submit your proposed method in writing to the Director of Price Stabilization, Washington 25, D. C., stating the reasons why you believe it to be appropriate and why you do not consider the method prescribed in this supplementary regulation practicable; and setting forth in detail each of the steps to be taken. Your report must also state whether your adjustments will be calculated according to the pricing formula of CPR 22 or that of SR 17 to CPR 22. You may, if you prefer, submit your proposed method without ac-

tually calculating your ceiling prices under it. You must nevertheless indicate what the change would be in the general level of your GCPR ceiling prices and your base-period prices for the particular commodities to which your proposed method will be applied; and what your new ceiling prices would be for at least the best-selling commodity in your more important product lines. In addition, you must indicate your base-period prices and your ceiling prices as determined under CPR 22 or SR 17 to CPR 22 for each such best-selling commodity. Unless and until the Director of Price Stabilization approves in writing your proposed method, you may not use it. If you have submitted your proposed method without calculating your ceiling prices under it, you may not use that method until you have submitted your ceiling prices as determined thereunder and the Director of Price Stabilization has given you written approval.

SEC. 9. Records. Section 46 (a) (2) (ii) of CPR 22 and section 24 of SR 17 to CPR 22 require that the records to be preserved must include appropriate work sheets. In addition to the work sheets referred to therein, there must also be preserved the additional work sheets required for your calculations under this supplementary regulation. Appendix A contains a suggested work sheet for these additional calculations. The work sheets to be preserved may be in the form shown in Appendix A, or they may be in any other convenient form so long as they include all data and calculations required to determine your ceiling prices under this supplementary regulation.

Work Sheet
Supp. Reg. 2, CPR-22

PRICE ADJUSTMENT RATIO WORK SHEET

Instruction: The calculations, as shown below, may be made for an entire plant (or your entire business if you do not operate more than one plant), or for a smaller unit of your business, category or product line, as provided in sections 3 or 4 of Supplementary Regulation 2.

SEC. 10. Definitions—(a) GCPR. This term means the General Ceiling Price Regulation issued by the Director of Price Stabilization on January 26, 1951 (16 F. R. 809), as amended.

(b) CPR 22. This term means Ceiling Price Regulation 22 issued by the Director of Price Stabilization on April 25, 1951 (16 F. R. 3562).

(c) SR 17. This term means Supplementary Regulation 17 issued by the Director of Price Stabilization on November 9, 1951.

All definitions used in CPR 22 and SR 17 which are pertinent to this supplementary regulation are incorporated in this supplementary regulation by this reference.

Effective date. The effective date of this Revision 1 of Supplementary Regulation 2 is November 26, 1951.

NOTE: The record-keeping and reporting requirements of this regulation have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

MICHAEL V. DISALLE,
Director of Price Stabilization.

NOVEMBER 21, 1951.

APPENDIX A

This appendix contains a "work sheet" with illustrative figures inserted for certain calculations required for determining ceiling prices under this supplementary regulation. Copies of this work sheet will not be distributed by OPS. It is shown only to indicate the content and arrangement of data appropriate for certain important calculations, for a record of these calculations for your own use, for examination by OPS representatives and for submittal on request to OPS. Any other arrangement which records the same basic data and calculations is acceptable.

Calculations Below Are For:

1. ☐ Entire business consisting of one plant
☐ Unit of business located at _____ and identified as _____
☐ Product line identified as _____
☐ Category identified as _____

CALCULATION OF PRICE ADJUSTMENT RATIO

(a)	(b)	(c)	(d)	(e)	(f)
Commodity. (You must indicate the unit of measure, e. g., dozen, pound, gallon, ton, if other than a single physical unit.)	Number of units sold in your last fiscal year ended not later than December 31, 1950	Base period price (to largest buying class of purchaser)	Value of sales in (b) at base period prices: (b) x (c)	Ceiling price under GCPR (to the same largest buying class of purchaser)	Value of sales in (b) at GCPR ceiling prices: (b) x (e)
A.....	100	\$10	\$1,000	\$14	\$1,400
B.....	1,000	5	5,000	7	7,000
C.....	500	20	10,000	20	10,000
Total.....			16,000		18,400

3. Actual price ratio. (Total column (f) divided by total column (d), 18,400/16,000)..... 115
4. Labor cost adjustment factor (from Work Sheet 1 shown in Appendix E to CPR 22)..... 3
5. Materials cost adjustment factor (from Work Sheet 2 or 3 shown in Appendix E to CPR 22)..... 7
6. Total cost adjustment factor (line 4 plus line 5)..... 10
7. Permissible ceiling price ratio (line 6 plus 100%)..... 110
8. Price adjustment ratio (line 7 divided by line 3)..... 95.65

[F. R. Doc. 51-14035; Filed, Nov. 21, 1951; 12:23 p. m.]

[Ceiling Price Regulation 22, Amdt. 34]

CPR 22—MANUFACTURERS' GENERAL CEILING PRICE REGULATION

BROADENING OF PROVISION FOR PRICING COMMODITIES IN NEW CATEGORIES, FOR NEW SELLERS AND FOR SALES TO AN ENTIRELY NEW CLASS OF PURCHASER

Pursuant to the Defense Production Act of 1950, as amended, (Pub. Law 774, 81st Cong., Pub. Law 96, 82nd Cong.), Executive Order 10161 (15 F. R. 6105), and Economic Stabilization Agency General Order No. 2 (16 F. R. 738), this Amendment 34 to Ceiling Price Regulation 22 is hereby issued.

STATEMENT OF CONSIDERATIONS

Ceiling prices for new commodities in new categories, for new sellers, and for sales to an entirely new class of purchaser may be determined under section 33 of Ceiling Price Regulation 22.

In order to price under section 33, however, it is necessary that the same commodity be sold by a competitor. This amendment changes section 33 to permit pricing thereunder in cases where a substantially similar commodity is sold by a competitor. Heretofore, sellers who had no competitor selling the same commodity were required to apply for a price under section 34, under which the Director of Price Stabilization determines a proper ceiling price by specific order. This amendment provides some degree of flexibility under section 33 which will now cover many instances of new goods pricing where substantially similar commodities are on the market. If OPS does not consider the selected commodity to be sufficiently similar to establish the same ceiling price for both commodities, it may, of course, require that the new ceiling price be determined under section 34.

In view of the nature of this amendment, the Director of Price Stabilization has not found it necessary or practicable to consult formally with representatives of industry.

AMENDATORY PROVISIONS

Ceiling Price Regulation 22, as amended, is further amended in the following respects:

1. Section 33 (a) (1) is amended to read:

Sec. 33. *Ceiling prices for commodities in new categories, for new sellers and for sales to an entirely new class of purchaser.* (a) (1) If you are pricing a commodity which is in a different category from any dealt in by you between July 1, 1949 and June 24, 1950, or which you are selling to an entirely new class of purchaser as referred to in section 3 (c) of this regulation, your ceiling price is the same as the ceiling price under this regulation of your most closely competitive seller of the same class selling the same commodity or, lacking the same, a substantially similar commodity to the same class of purchaser. A ceiling price so determined must be in line with the level of ceiling prices otherwise established by this regulation.

2. Section 33 (a) (3) is amended to read:

(3) In case, however, the commodity is one required to be priced under this section, and which, prior to the effective date of this regulation, you sold or offered for sale upon the basis of a ceiling price determined under the General Ceiling Price Regulation, you may continue to use your GCPR ceiling price until 30 days from the date this regulation becomes effective for your most closely competitive seller of the same class selling the same commodity or, lacking the same, a substantially similar commodity to the same class of purchaser, or until 30 days from the date this regulation becomes effective as to you, whichever is later.

3. Section 33 (b) is amended by inserting after "the name, address and type of business of your most closely competitive seller of the same class;" "a description of the commodity he sells and the differences, if any, in specifications of his commodity from the one you are pricing;"

(Sec. 704, 64 Stat. 816, as amended; 50 U. S. C. App. Sup. 2154)

Effective date. This amendment shall become effective November 26, 1951.

EDWARD F. PHELPS, Jr.,
Acting Director of Price Stabilization.

NOVEMBER 21, 1951.

[F. R. Doc. 51-14088; Filed, Nov. 21, 1951;
12:24 p. m.]

[Ceiling Price Regulation 59, Amdt. 2]

CPR 59—SCRAP RUBBER

CEILING PRICE OF SCRAP GR-S SYNTHETIC TUBES IN LOS ANGELES, CALIFORNIA, AREA

Pursuant to the Defense Production Act of 1950, as amended, Executive Order 10161 (15 F. R. 6105) and Economic Stabilization Agency General Order No. 2 (16 F. R. 738), this Amendment 2 to Ceiling Price Regulation 59 is hereby issued.

STATEMENT OF CONSIDERATIONS

Ceiling Price Regulation 59 provides methods for setting ceiling prices on scrap rubber. The ceiling price under CPR 59, Table II, for GR-S synthetic tubes is \$.01 per pound delivered in the Los Angeles area as compared with \$.02 per pound delivered in all other consuming centers. Section 5 (a) of CPR 59 requires $\frac{1}{2}\%$ per pound decrease for tubes containing valves, black rubber cots, or valve bases which are objectionable under the applicable specification. Section 6 (b) requires an additional $\frac{1}{2}\%$ per pound decrease for bags or bales containing a mixture of tubes and other kinds of scrap rubber, which must be opened, sorted and, under the provisions of section 6 (a) (2), packed in bags, bales, or bundles with each kind packed separately, properly segregated, in the car or truck and clearly labeled. Inadvertently, the possibility of a situation arose wherein a seller in the Los Angeles area could not set a ceiling price for his product if all possible deductions were applicable. Thus there was the possibility that there would be no such

scrap rubber available for the scrap rubber consumers. To correct this situation this amendment prevents the ceiling price for scrap GR-S synthetic tubes from falling below $\frac{1}{2}\%$ per pound delivered in the Los Angeles area. Of course lower than ceiling prices may be charged and received.

Insofar as practicable the Director has consulted with representatives of the industry and has considered their recommendation.

AMENDATORY PROVISIONS

Ceiling Price Regulation 59 is amended in the following respects:

1. The superior figure * indicating a third footnote is added to the ceiling price figure in Table II for GR-S synthetic rubber tubes delivered in the Los Angeles, California area so that the figure reads as follows:

\$.01.*

2. A new footnote is added to Table II as follows:

* The provisions of section 5 (a) and section 6 (b) notwithstanding, in no case shall the ceiling price for GR-S synthetic tubes delivered in the Los Angeles, California area be less than $\frac{1}{2}\%$ per pound. Of course lower than ceiling prices may be charged and received.

(Sec. 704, 64 Stat. 816, as amended; 50 U. S. C. App. Sup. 2154)

Effective date. This amendment shall become effective on the 26th day of November, 1951.

EDWARD F. PHELPS, Jr.,
Acting Director of Price Stabilization.

NOVEMBER 21, 1951.

[F. R. Doc. 51-14089; Filed, Nov. 21, 1951;
12:24 p. m.]

[General Ceiling Price Regulation, Amdt. 24]

GENERAL CEILING PRICE REGULATION

BROADENING OF PROVISION RELATING TO MANUFACTURERS FOR PRICING COMMODITIES IN NEW CATEGORIES, AND FOR NEW SELLERS

Pursuant to the Defense Production Act of 1950, as amended (Pub. Law 774, 81st Cong., Pub. Law 96, 82nd Cong.), Executive Order 10161 (15 F. R. 6105), and Economic Stabilization Agency General Order No. 2 (16 F. R. 738), this Amendment 24 to the General Ceiling Price Regulation is hereby issued.

STATEMENT OF CONSIDERATIONS

The considerations underlying the issuance of this amendment are the same as those stated in Amendment 34 to Ceiling Price Regulation 22, effective November 26, 1951.

AMENDATORY PROVISIONS

The General Ceiling Price Regulation, as amended, is further amended in the following respects:

1. For the introductory paragraph of section 6 (a), substitute the following two paragraphs:

SEC. 6. *Ceiling prices for commodities in new categories; for new services; and for new sellers.* (a) If you are a manu-

facturer and are pricing a commodity which is in a different category from any dealt in by you during the base period, your ceiling price is the same as the ceiling price of your most closely competitive seller of the same class selling the same commodity or, lacking the same, a substantially similar commodity to the same class of purchaser.

If you are a wholesaler or retailer and are pricing a commodity which is in a different category from any dealt in by you during the base period, or if you are selling a service which cannot be priced under section 3 of this regulation, your ceiling price is the same as the ceiling price of your most closely competitive seller of the same class selling the same commodity or service to the same class of purchaser.

2. The introductory paragraph of section 6 (b) is amended by inserting after "the name, address and type of business of your most closely competitive seller of the same class;" "a description of the commodity he sells and the differences, if any, in specifications of his commodity from the one you are pricing;"

(Sec. 704, 64 Stat. 816, as amended; 50 U. S. C. App. Sup. 2154)

Effective date. This amendment shall become effective November 26, 1951.

EDWARD F. PHELPS, JR.,
Acting Director of Price Stabilization.

NOVEMBER 21, 1951.

[F. R. Doc. 51-14087; Filed, Nov. 21, 1951; 12:23 p. m.]

[Ceiling Price Regulation 24, Collation 1]

CPR 24—CEILING PRICES OF BEEF SOLD AT WHOLESALE

COLLATION 1—INCLUDING AMENDMENTS 1-6

Ceiling Price Regulation 24 is republished to incorporate the texts of Amendments 1 through 6, inclusive. Ceiling Price Regulation 24 was issued April 30, 1951 (16 F. R. 3721). Statements of Consideration for Ceiling Price Regulation 24, and for Amendments 1-6, inclusive, as previously published, are applicable to this republication. The effective dates of this regulation, and of the amendments are shown in a note preceding the first section of the regulation.

REGULATORY PROVISIONS

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ARTICLE III—DISTRIBUTION POINT

30. Distribution point.

ARTICLE IV—ZONE DIFFERENTIALS AND ADDITIONS

40. Addition 1—Zone differentials.
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43. Addition 4—Freezing for defense procurement agency.
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45. Addition 6—Packing in shipping containers.
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47. Addition 8—Kosher forequarters and kosher wholesale cuts.
48. Addition 9—Beef from cattle slaughtered in Zone 4a.

ARTICLE V—GENERAL DEFINITIONS

50. General definitions.

APPENDICES

1. Zone definitions.
2. Beef carcass and wholesale cuts definitions.
3. Boneless beef cuts definitions.
4. Fabricated beef cuts definitions.
5. Boneless beef (military specifications) definitions.
6. Beef variety meats and byproducts definitions.
7. Other beef products definitions.
8. Beef cutting charts.
9. Wholesale zoning map.

AUTHORITY: Sections 1 to 50 issued under 64 Stat. 816, as amended, Pub. Law 96, 82d Cong.; 50 U. S. C. App. Sup. 2154. Interpret or apply Title IV, 64 Stat. 803, as amended, Pub. Law 96, 82d Cong.; 50 U. S. C. App. Sup. 2101-2110, E. O. 10161, Sept. 9, 1950, 15 F. R. 6105; 3 CFR, 1950 Supp.

DERIVATION: Sections 1-50 contained in Ceiling Price Regulation 24, April 30, 1951 (16 F. R. 3721), except as otherwise noted in brackets following text affected.

EFFECTIVE DATES: CPR 24, May 9, 1951. However, through and including May 11, 1951, if (1) you sell and deliver a beef product for which a ceiling price is established by this regulation by grades (2) this beef product left the slaughtering plant prior to May 7, 1951 and (3) such beef product does not bear the grade mark provided for in Distribution Regulation 2 for such beef products leaving the slaughtering plant on and after May 7, 1951, then your ceiling price for such products shall be your ceiling price established by the General Ceiling Price Regulation. Moreover, through and including May 11, 1951, if (1) you sell and deliver a beef product for which a ceiling price is established by this regulation by grades and (2) such beef product bears the grade mark provided for in Distribution Regulation 2 for such beef products leaving the slaughtering plant after May 7, 1951, your ceiling prices for such of those products as are not derived from cattle you slaughtered shall be, at your option, the ceiling prices established by this regulation or your ceiling prices established by the General Ceiling Price Regulation (16 F. R. 3721).

Amendment 1, May 4, 1951, 16 F. R. 4183.
Amendment 2, May 12, 1951, 16 F. R. 4442.
Amendment 3, July 5, 1951, 16 F. R. 6376.
Amendment 4, August 1, 1951, 16 F. R. 7664.
8588.

Amendment 5, August 24, 1951, 16 F. R.
Amendment 6, September 19, 1951, 16 F. R. 9512.

[Effective date of CPR 24 amended by Amdt. 1]

ARTICLE I—GENERAL PROVISIONS

SECTION 1. What this regulation does. This regulation establishes specific ceiling prices for most sales of beef, beef cuts and beef products, except for sales at retail. These ceiling prices supersede those established by the General Ceiling Price Regulation for these items. This regulation does not, however, establish ceiling prices for sterile canned beef, or sausage. In addition, this regulation defines and standardizes the beef cuts which you may sell and prohibits the sale of non-standardized cuts.

SEC. 2. Where this regulation applies. This regulation shall be applicable in the forty-eight States and the District of Columbia.

SEC. 3. Ceiling prices for specifically enumerated beef products.—(a) *Beef carcasses and wholesale cuts.* Your ceiling price for each grade of beef carcass or beef wholesale cut shall be the price specified in section 20, plus any applicable additions permitted in Article IV.

(b) *Fabricated beef cuts.* Your ceiling price for each grade of fabricated beef cut shall be the price specified in section 21, plus the applicable additions permitted in sections 40 and 41.

(c) *Boneless beef cuts.* Your ceiling price for each boneless beef cut shall be the price specified in section 22, plus the applicable additions permitted in sections 41, 42, 45 and 46.

(d) *Boneless processing beef.* Your ceiling prices for boneless processing beef shall be the prices specified in section 23, plus the applicable additions permitted in sections 41 and 45.

(e) *Boneless beef (military specifications).* Your ceiling prices for frozen boneless beef (4-way, military specifications) and beef, processing (military specifications, JAN-B-617 and JAN-B-723) shall be the prices specified in sections 24 and 25 respectively. You may not include any of the additions specified in Article IV, except the addition specified in section 41, if applicable.

[Paragraph (e) amended by Amdt. 6]

(f) *Beef variety meats and by-products.* Your ceiling prices for certain beef variety meats and beef by-products shall be the prices specified in section 26, plus the applicable additions permitted in sections 40, 41, 42, 45 and 46.

[Paragraph (f) amended by Amdt. 2]

(g) *Prefabricated quick frozen and packaged retail cuts.* Your ceiling prices for prefabricated quick frozen and packaged retail cuts, delivered to any retail store, properly equipped with such facilities as are necessary to maintain such cuts in a solid frozen condition, shall be 80 percent of the retail ceiling price (Group 1 and 2 stores as established by Ceiling Price Regulation 25) for the corresponding grade and type of fresh retail cut applicable in the retail zone area in which the buyer's store is located. In determining this figure, the retail ceiling price shall first be converted to a per cwt. basis and the result shall be rounded to the nearest 10 cents per cwt. The weights for determining such cell-

ing price shall be the net weight of the prefabricated quick frozen retail cut indicated on each package. None of the additions in Article IV may be added.

(h) *Prefabricated retail cuts.* If you are not prohibited by section 11 (b) of this regulation from selling prefabricated retail cuts to a retail selling establishment, your ceiling price for sales of such cuts to such an establishment shall be 80 percent of the retail ceiling price (Group 1 and 2 stores as established by Ceiling Price Regulation 25) for the corresponding grade and type of retail beef cut applicable in the retail zone area in which the buyer's store is located.

[Paragraph (h) added by Amdt. 2]

(i) *Boneless beef cuts and fabricated beef cuts.* If you have prepared an ungraded fabricated beef cut or ungraded boneless beef cut prior to May 7, 1951, you may sell and deliver such cuts on or before May 30, 1951. Similarly if you have prepared a fabricated beef cut prior to May 7, 1951, and this cut does not meet the specifications provided in Appendix 4, you may sell and deliver such cuts on or before May 30, 1951. Your ceiling price for such ungraded or unspecified cuts sold and delivered prior to May 31, 1951, shall be your ceiling price established by the General Ceiling Price Regulation.

[Paragraph (i) added by Amdt. 2]

SEC. 4. Ceiling prices for certain beef products which are not specifically listed in section 3.—(a) *Variety meats and edible by-products.* If you sell a beef variety meat or a beef by-product which is not included in section 26, your ceiling price is established by the General Ceiling Price Regulation.

(b) *Cured beef items.* (1) If you sold cured, corned, cooked, smoked, barbecued or dried beef items during 1950, your ceiling prices are established by Supplementary Regulation 61 to the General Ceiling Price Regulation. You must, however, file the report required under section 10 (b) of this regulation. Except as is provided in section 4 (b) (2) of this regulation, if you did not sell these items during 1950, see section 4 (d).

[Subparagraph (1) amended by Amdt. 6]

(2) Your ceiling price for cured boneless processing beef imported into continental United States shall be \$53.00 per cwt. for bull and \$50.00 per cwt. for other than bull, both f. o. b. point of entry. Such beef may not contain more than 5 percent salt or other curing agent nor more than 10 percent fat by chemical analysis. You may not add any of the additions in Article IV except the wholesaler's addition in section 42 of this regulation.

[Subparagraph (2) amended by Amdts. 2 and 3]

(c) *Specialty steak products.* If you sold specialty steak products such as chip steaks, frosted steaks, sandwich steaks, French steaks, tenderredy steaks or similar specialty beef products during 1950, your ceiling prices are established by the General Ceiling Price Regulation, but in no event shall they exceed \$2.00 per pound. You must, however, file the report required by section 10 (b). If you did not sell these items in 1950, see section 4 (d).

(d) *New cured beef and specialty steak products.* If you desire to sell a beef product listed in section 4 (b) (1) or section 4 (c) which you have not sold during 1950, you may apply in writing to the Director of Price Stabilization in Washington, D. C., for a ceiling price. In your application you shall describe the product and state the same information required in section 10 (b) (1) through (6), inclusive. The Director of Price Stabilization may authorize a ceiling price for such product if your application includes sufficient facts to enable the Director of Price Stabilization to find:

(1) That you have made a substantial financial investment which cannot be utilized except in the sale of such beef product;

(2) That the sale of this product is to constitute at least 10 percent of your dollar volume of business;

(3) That production of this item will not divert an abnormal amount of beef production from low cost to high cost items; and

(4) That approval of your application will be generally fair and equitable, will not adversely affect the price structure established by this regulation, and will not otherwise have an inflationary effect.

[Paragraph (d) amended by Amdt. 2]

SEC. 5. Exempt sales. The provisions of this regulation shall not apply:

(a) To sales at retail; or

(b) To sales or deliveries of any beef product to a buyer if, prior to the effective date of this regulation, this beef product has been received for shipment to such buyer by a carrier other than a carrier owned or controlled by the seller.

SEC. 6. Adjustment for transportation to critical areas. Upon a finding that a critical shortage of meat has occurred in a specific area because customary sources of supply are unavailable and because the established ceiling prices do not contain a sufficient allowance to cover the cost of transporting meat to that area from other sources of supply, the Director of Price Stabilization may by order designate such area as a critical area for such period as he may prescribe, and may in writing authorize you to charge and receive, for beef products sold to buyers in that area, an amount in excess of the applicable ceiling price.

SEC. 7. Import and export sales.—(a) *Ceiling prices for sales of imported beef.* Except as provided in section 4 (b) (2), your ceiling price for any imported beef product shall be the same as your domestic ceiling price for that product.

(b) *Ceiling prices and records for export sales.*—(1) *Ceiling prices.* The ceiling prices at which you may export any beef product shall be your domestic ceiling price for the beef product f. o. b. your place of business (in this instance your distribution point shall be your place of business) plus any of the following costs actually incurred incidental to exportation of the product:

- (i) Cost of transportation to the dock.
- (ii) Export packing and freezing costs.
- (iii) Demurrage or warehouse charges.
- (iv) Ocean freight costs.
- (v) Insurance costs.
- (vi) Consular fees.
- (vii) Freight forwarders' fees.

You may not however add any of the additions specified in Article IV of this regulation except the additions set forth in section 40 and section 42, where applicable.

(2) *Records.* You shall make and preserve the records required in section 9 (a) of this regulation and in addition to the information required to be shown in paragraphs (1) through (4) therein, you shall also separately list any of the actual costs incurred in paragraph (b) (1) (i) through (vii) of this section. You shall furnish the buyer a written statement showing all this information.

[Section 7 amended by Amdt. 2]

SEC. 8. Evasion. (a) You shall not evade the provisions of this regulation, by direct or indirect methods in connection with an offer, solicitation or agreement relating to the sale, delivery, purchase, transfer or receipt of beef, alone or in conjunction with any other commodity or service, or by way of any commission, service, transportation, wrapping, packaging or other charge or discount, premium or other privilege, or by tying-agreement or other trade understanding, or by changing the selection, grading, or the style of dressing, cutting, trimming, cooking or otherwise processing, or the wrapping or packaging of beef, or otherwise.

(b) Among others, the following practices are considered evasions and are prohibited:

(1) Falsely or incorrectly grading or invoicing beef.

(2) Selling or invoicing kosher beef to purchasers who are not bona fide buyers of kosher meat.

(3) Selling or invoicing fabricated beef cuts to buyers other than purveyors of meals, hotel supply houses, combination distributors, ship suppliers or peddler truck sellers.

[Subparagraph (3) amended by Amdt. 3]

(4) Offering, selling or delivering a beef product on condition that the buyer purchase another beef product or any other commodity or service.

(5) Making or receiving a charge for delivery on the basis of a route different from that actually followed and in excess of that permitted for the route by which the beef was actually delivered.

(6) Selling or transferring to a slaughterer title to live cattle by the owner thereof or buying or receiving title to live cattle by a slaughterer from the owner thereof, on condition, or with any understanding or agreement, that dressed carcasses or wholesale cuts derived from such cattle, or from other cattle, be sold or delivered to any designated person: *Provided, however,* That this prohibition shall not apply to the sale or transfer of title to cattle certified to be club cattle.

(7) Charging, paying, billing, or receiving any consideration for or in connection with any service for which a specific allowance has not been provided in this regulation.

(8) Selling to a buyer a carcass or wholesale cut of beef and buying back from that same buyer a portion of any carcass or wholesale cut at a price below the ceiling price for that portion.

[Subparagraph (8) added by Amdt. 6]

(9) Selling any fresh ground meat which contains beef and does not consist entirely of ground beef as defined in any of the following subparagraphs of Appendix 4 (a) paragraphs (33) through (36), inclusive, or paragraphs (38) or (39).

[Subparagraph (9) added by Amdt. 6]

(c) The following payments shall not be construed as evasions of this regulation if made under the following conditions:

(1) A payment of not to exceed 17½ cents per cwt. in excess of the ceiling prices fixed by this regulation, if paid by a buyer to a broker who had, prior to the issuance date of this regulation, rendered services as a broker, for services rendered by the broker to the buyer if the broker has no business affiliation with the seller.

(2) A payment by a buyer to a seller for icing services performed by the seller before delivery of any beef or beef product to a carrier, if the carrier's freight charges are paid directly by the buyer and if the amount paid for such icing services does not exceed the actual commercial rates for such icing services.

(3) Where the distribution point is the seller's place of business and the transportation charges are paid by the seller to the carrier, a payment by a buyer to a seller of the buyer's proportion of that transportation charge, if such payment appears on the seller's invoice as a separate item.

[Subparagraph (3) amended by Amdt. 6]

SEC. 9. *Records*—(a) *Records which must be preserved.* On or after the effective date of this regulation, each of you who sells or transfers and each of you who, in the course of trade or business, buys or receives any beef, beef cut or beef product shall make and preserve for inspection by the Office of Price Stabilization for a period of two years complete and accurate records of each such sale, transfer, purchase or receipt showing:

(1) The date thereof;

(2) The names and addresses of the buyer or the recipient and the seller or the transferor;

(3) The descriptive name or type of cut or item, the grade (if bull so designate), and the quantity and weight of all beef products sold, transferred, delivered or purchased, received or acquired.

[Subparagraph (3) amended by Amdt. 2]

(4) The price charged, received, or paid therefor;

(5) The class of buyer and seller, i. e., retailer (R), purveyor of meals (PM), wholesaler (W), combination distributor (CD), hotel supply house (HSH), defense procurement agency (DPA), peddler truck seller (P), ship supplier (SS), slaughterer (S), or any other buyer (OB).

[Subparagraph (5) added by Amdt. 6]

You shall also continue to preserve all records required to be preserved by Section 16 of the General Ceiling Price Regulation.

All records required to be preserved under this section 9 may after the ex-

piration of 90 days after the date of the transaction to which they relate be transferred to and preserved thereafter on microfilm.

(b) *Records which must accompany deliveries.* (1) Except as provided in section 9 (b) (2), (3) and (4) each of you who sells, transfers, or delivers any beef product shall furnish to the buyer at the time of delivery a written statement showing information set forth in section 9 (a).

(2) You shall send with each shipment, other than a C. O. D. shipment, a copy of the written statement referred to in paragraph (a) of this section: *Provided, however,* That the portion of the statement with respect to the price charged, received or paid therefor, may be omitted but (i) such portion must be mailed to the buyer within 24 hours after the shipment left your plant or, (ii) if it has been your customary practice to send invoices weekly, such portion must be mailed to the buyer during the week of the shipment.

[Subparagraph (2) amended by Amdt. 2]

(3) Where the shipment made constitutes the entire content of a common carrier freight car or truck, a copy of the statement referred to in section 9 (a) shall be posted in the freight car or truck near or on the door. Where the shipment made constitutes only a part of the content of a common carrier freight car or truck, the copy shall be securely attached in a conspicuous place to one of the items included within the shipment. Where the shipment made is by vehicle other than a common carrier, the copy referred to shall be given to and carried by the driver and he shall be authorized to display it to any enforcement officer on request.

(4) If you transfer any beef product, which constitutes the entire content of a vehicle, to a business establishment or warehouse controlled or operated by you, you shall send with each vehicle making such transfer, a statement showing the name and address of the owner, the point of destination and that the beef products are not being transferred to a buyer in connection with a sale. The transfer must be identified in the same manner as required in subparagraph (3) of this paragraph.

SEC. 10. *Reports.*—(a) *Slaughter located in Zone 4a.* If you slaughter cattle in a slaughtering plant or plants located in Zone 4a you shall file with the Office of Price Stabilization at Washington, D. C., a true copy of the abattoir stamp together with the name and address of the slaughtering plant at which such abattoir stamp is used.

[Paragraph (a) amended by Amdt. 6]

(b) *Cured beef products and specialty steaks.* If you sell any beef product for which a ceiling price is provided under section 4 (b) (1) or section 4 (c) you shall file within 30 days of the effective date of this regulation with the Director of Price Stabilization, Washington 25, D. C., a report including:

(1) A description of the product, including the name of the item.

(2) The wholesale cut and grade of beef used therein.

(3) A complete description of its preparation.

(4) The type of wrapping or packaging used.

(5) The manner in which the product differs from the most similar product of the same type for which a ceiling price is provided in section 3 of this regulation.

(6) The cost of each operation which is added to or eliminated from the manufacture of the most similar product of the same type for which a ceiling price is provided in section 3 of this regulation and a cutting test showing the cost of the product.

(7) Your ceiling price for that product under the General Ceiling Price Regulation.

(8) The total dollar volume you sold of the product during the calendar year 1950.

(9) The total dollar volume of all your sales of all meat products during the calendar year 1950.

[Paragraph (b) amended by Amdt. 2]

(c) For other reports required by this regulation see sections 21, 42 and 46.

SEC. 11. *Prohibitions.*—(a) *Selling at prices above ceiling.* Regardless of any contract, agreement or other obligation, (1) you shall not sell or deliver any beef product at a price higher than the ceiling price established by this regulation, (2) you shall not buy or receive in the regular course of trade or business any beef product at a price higher than the ceiling price established by this regulation, and (3) you shall not agree, offer, solicit or attempt to do any of the foregoing. You may, however, charge, demand, pay or offer lower prices for beef products than are established by this regulation.

(b) *Selling other than defined cuts.* Regardless of any contract, agreement or other obligation, except for beef products the ceiling prices of which are controlled by section 4 and, until May 31, 1951, except as is provided in Section 3 (i), you shall not sell or deliver and you shall not buy or receive in the regular course of trade or business any beef product or any part or portion thereof unless such beef product is listed in Appendixes 2 through 7, inclusive. Moreover, you shall not sell any prefabricated retail cut to a retail selling establishment unless (1) you have customarily sold retail cuts to such establishment, (2) the retailer requests you in writing to continue to sell him prefabricated retail cuts, and (3) you do not sell that retailer any of the beef products listed in Appendix 2.

[Paragraph (b) amended by Amdt. 2]

(c) *Importation at prices above ceiling.* Regardless of any contract, agreement or other obligation you shall not, by direct or indirect methods, import into the 48 states or the District of Columbia from a foreign country any beef product purchased by you, directly or through any agent, or through a foreign or domestic corporation affiliated with you, or any foreign or domestic subsidiary thereof, if this beef product has a landed cost higher than the domestic ceiling price at the point of consignment.

(6) On sales to defense procurement agencies you may add \$0.50 to the prices listed above.

[Section 20 amended by Amdts. 3, 4, and 6]

SEC. 21. Schedule II—Fabricated cuts.

Schedule II (a). Sales of fabricated beef cuts by a hotel supply house or ship supplier to purveyors of meals. No hotel supply house shall make sales to purveyors of meals until such selling establishment shall have filed a statement, in duplicate, with the appropriate Regional Office of the Office of Price Stabilization showing: (1) The total volume by weight of all meats, including sausage, variety meats and edible by-products, sold or delivered by it during 1950, excluding sales to defense procurement agencies; (2) The total volume by weight of all meats, including sausage, variety meats and edible by-products, sold or delivered by it during 1950 to purveyors of meals; (3) The percentage obtained by dividing the figure derived in (2) by the figure derived in (1).

[All prices are on a dollars per cwt. basis. The price for any fraction of a cwt. shall be reduced proportionately. The prices set forth herein include the cost of packaging, boxing, and freezing. You may not add the additions set forth in sections 42 through 48, inclusive.]

(2) If any beef carcass or wholesale cut does not clearly bear a correct grade mark, you shall not sell the cut above the ceiling price prescribed for the corresponding whole-sale cut of the lowest grade.

(3) If you are a hotel supply house, you may add \$1.50 per cwt. to the prices listed above.

(4) If you are a combination distributor not affiliated with a slaughterer you may add \$2.00 per cwt. to the prices listed above, and if you are a combination distributor affiliated with a slaughterer you may add \$2.00 per cwt. to the prices listed above on sales to purveyors of meals only.

(5) If a buyer sends you a written request in duplicate for tender-ray processing of any beef carcass or wholesale cut, stating therein that he will absorb the expense of the tender-ray processing, you may add an amount not exceeding two percent of the appropriate price listed above to that price.

A copy of the buyer's written request must be forwarded to the Office of Price Stabilization, Washington, D. C., before such addition may be taken.

[All prices are on a dollars per cwt. basis. The price for any fraction of a cwt. shall be reduced proportionately. The prices set forth herein include the cost of packaging, boxing, and freezing. You may not add the additions set forth in sections 42 through 48, inclusive.]

(6) On sales to defense procurement agencies you may add \$0.50 to the prices listed above.

[Section 20 amended by Amdts. 3, 4, and 6]

SEC. 21. Schedule II—Fabricated cuts.

Schedule II (a). Sales of fabricated beef cuts by a hotel supply house or ship supplier to purveyors of meals. No hotel supply house shall make sales to purveyors of meals until such selling establishment shall have filed a statement, in duplicate, with the appropriate Regional Office of the Office of Price Stabilization showing: (1) The total volume by weight of all meats, including sausage, variety meats and edible by-products, sold or delivered by it during 1950, excluding sales to defense procurement agencies; (2) The total volume by weight of all meats, including sausage, variety meats and edible by-products, sold or delivered by it during 1950 to purveyors of meals; (3) The percentage obtained by dividing the figure derived in (2) by the figure derived in (1).

[All prices are on a dollars per cwt. basis. The price for any fraction of a cwt. shall be reduced proportionately. The prices set forth herein include the cost of packaging, boxing, and freezing. You may not add the additions set forth in sections 42 through 48, inclusive.]

(6) On sales to defense procurement agencies you may add \$0.50 to the prices listed above.

[Section 20 amended by Amdts. 3, 4, and 6]

SEC. 21. Schedule II—Fabricated cuts.

(2) If any beef carcass or wholesale cut does not clearly bear a correct grade mark, you shall not sell the cut above the ceiling price prescribed for the corresponding whole-sale cut of the lowest grade.

(3) If you are a hotel supply house, you may add \$1.50 per cwt. to the prices listed above.

(4) If you are a combination distributor not affiliated with a slaughterer you may add \$2.00 per cwt. to the prices listed above, and if you are a combination distributor affiliated with a slaughterer you may add \$2.00 per cwt. to the prices listed above on sales to purveyors of meals only.

(5) If a buyer sends you a written request in duplicate for tender-ray processing of any beef carcass or wholesale cut, stating therein that he will absorb the expense of the tender-ray processing, you may add an amount not exceeding two percent of the appropriate price listed above to that price.

A copy of the buyer's written request must be forwarded to the Office of Price Stabilization, Washington, D. C., before such addition may be taken.

[All prices are on a dollars per cwt. basis. The price for any fraction of a cwt. shall be reduced proportionately. The prices set forth herein include the cost of packaging, boxing, and freezing. You may not add the additions set forth in sections 42 through 48, inclusive.]

(2) If any beef carcass or wholesale cut does not clearly bear a correct grade mark, you shall not sell the cut above the ceiling price prescribed for the corresponding whole-sale cut of the lowest grade.

(3) If you are a hotel supply house, you may add \$1.50 per cwt. to the prices listed above.

(4) If you are a combination distributor not affiliated with a slaughterer you may add \$2.00 per cwt. to the prices listed above, and if you are a combination distributor affiliated with a slaughterer you may add \$2.00 per cwt. to the prices listed above on sales to purveyors of meals only.

(5) If a buyer sends you a written request in duplicate for tender-ray processing of any beef carcass or wholesale cut, stating therein that he will absorb the expense of the tender-ray processing, you may add an amount not exceeding two percent of the appropriate price listed above to that price.

A copy of the buyer's written request must be forwarded to the Office of Price Stabilization, Washington, D. C., before such addition may be taken.

[All prices are on a dollars per cwt. basis. The price for any fraction of a cwt. shall be reduced proportionately. The prices set forth herein include the cost of packaging, boxing, and freezing. You may not add the additions set forth in sections 42 through 48, inclusive.]

(6) On sales to defense procurement agencies you may add \$0.50 to the prices listed above.

[Section 20 amended by Amdts. 3, 4, and 6]

SEC. 21. Schedule II—Fabricated cuts.

Schedule II (a). Sales of fabricated beef cuts by a hotel supply house or ship supplier to purveyors of meals. No hotel supply house shall make sales to purveyors of meals until such selling establishment shall have filed a statement, in duplicate, with the appropriate Regional Office of the Office of Price Stabilization showing: (1) The total volume by weight of all meats, including sausage, variety meats and edible by-products, sold or delivered by it during 1950, excluding sales to defense procurement agencies; (2) The total volume by weight of all meats, including sausage, variety meats and edible by-products, sold or delivered by it during 1950 to purveyors of meals; (3) The percentage obtained by dividing the figure derived in (2) by the figure derived in (1).

[All prices are on a dollars per cwt. basis. The price for any fraction of a cwt. shall be reduced proportionately. The prices set forth herein include the cost of packaging, boxing, and freezing. You may not add the additions set forth in sections 42 through 48, inclusive.]

(6) On sales to defense procurement agencies you may add \$0.50 to the prices listed above.

[Section 20 amended by Amdts. 3, 4, and 6]

SEC. 21. Schedule II—Fabricated cuts.

years showing any of the actual costs listed in paragraph (c) (1) (i) through (ix) of this section which you incurred. [Paragraph (c) added by Amdt. 4]

(4) However nothing in this section 11 (c) shall prohibit the importation into the 48 States or the District of Columbia on or prior to August 31, 1951, of beef the delivery of which was contracted for prior to August 1, 1951.

[Subparagraph (4) added by Amdt. 5]

SEC. 12. Enforcement. On or after the effective date of this regulation, if you violate any provision of this regulation, or any order issued pursuant to it, you are subject to the criminal penalties, civil enforcement actions, and suits for treble damages provided for by the Defense Production Act of 1950. Also, any person, who, in the course of trade or business, buys from you at a price higher than your ceiling price is subject to the criminal penalties and civil enforcement actions provided for by that Act.

SEC. 13. Petitions for amendment. If you seek an amendment of any provision of this regulation, you may file a petition for amendment in accordance with the provisions of Price Procedural Regulation 1, issued by the Office of Price Stabilization.

ARTICLE II—PRICING SCHEDULES

SEC. 20. Schedule I—Beef carcasses and wholesale cuts. (All prices are on a dollars per cwt. basis; the price for any fraction of a cwt. shall be reduced proportionately.)

Prices by grade				
	Prime	Choice	Good	Commercial
1. Carcass	\$57.20	\$55.20	\$53.20	\$48.20
2. Hind quarter	64.10	61.10	58.40	52.30
3. Forequarter	50.70	49.60	48.30	44.30
4. Round	60.20	60.20	60.20	57.20
5. Flank	86.70	81.70	78.70	69.60
6. Trimmed full loin	28.20	28.20	28.20	29.20
7. Cross cut chuck	46.60	46.60	46.60	45.60
8. Regular chuck	54.20	54.20	54.20	50.20
9. Foreshank	31.20	31.20	31.20	31.20
10. Brisket	42.20	42.20	42.20	35.20
11. Rib	74.20	74.20	74.20	62.20
12. Short plate	31.20	31.20	31.20	31.20
13. Back	59.50	57.60	55.80	50.70
14. Tripe	46.30	46.30	46.30	43.00
15. Arm chuck	31.00	31.00	31.00	27.60
16. Untrimmed loin	68.70	63.20	57.70	48.20

tions prescribed in Appendix 2, you may not sell such cut above the ceiling price prescribed for flanks.

(1) The "landed cost" shall mean the amount you paid for the product, directly or indirectly, plus the following expenses actually incurred by or for you: (i) transportation costs to the point of consignment; (ii) customs duties or other import taxes; (iii) other commodity taxes; (iv) dock charges; (v) clearance; (vi) insurance; (vii) letter of credit expenses; (viii) any customary buying commission to a purchasing agent outside continental United States; and (ix) grading.

(2) The "domestic ceiling price at the point of consignment" shall mean the lowest price established in the appropriate schedule for this grade of beef product when sold by a slaughterer, plus the zone differential, where applicable, to the point to which the shipment is consigned. In computing this price the point to which the shipment is consigned shall be the distribution point and none of the additions provided in sections 41 through 48, inclusive, may be added.

(3) Records. Each of you who imports into the 48 States or the District of Columbia from a foreign country any beef product purchased by you, directly or indirectly, shall make and preserve for a period of two years the records required in section 9 (a) of this regulation; and, in addition to the information required to be shown in paragraphs (1) through (4) therein, you shall also make and preserve records for a period of two

years showing any of the actual costs listed in paragraph (c) (1) (i) through (ix) of this section which you incurred. [Paragraph (c) added by Amdt. 4]

(4) However nothing in this section 11 (c) shall prohibit the importation into the 48 States or the District of Columbia on or prior to August 31, 1951, of beef the delivery of which was contracted for prior to August 1, 1951.

[Subparagraph (4) added by Amdt. 5]

SEC. 12. Enforcement. On or after the effective date of this regulation, if you violate any provision of this regulation, or any order issued pursuant to it, you are subject to the criminal penalties, civil enforcement actions, and suits for treble damages provided for by the Defense Production Act of 1950. Also, any person, who, in the course of trade or business, buys from you at a price higher than your ceiling price is subject to the criminal penalties and civil enforcement actions provided for by that Act.

SEC. 13. Petitions for amendment. If you seek an amendment of any provision of this regulation, you may file a petition for amendment in accordance with the provisions of Price Procedural Regulation 1, issued by the Office of Price Stabilization.

ARTICLE II—PRICING SCHEDULES

SEC. 20. Schedule I—Beef carcasses and wholesale cuts. (All prices are on a dollars per cwt. basis; the price for any fraction of a cwt. shall be reduced proportionately.)

tions prescribed in Appendix 2, you may not sell such cut above the ceiling price prescribed for flanks.

(6) On sales to defense procurement agencies you may add \$0.50 to the prices listed above.

[Section 20 amended by Amdts. 3, 4, and 6]

SEC. 21. Schedule II—Fabricated cuts.

Schedule II (a). Sales of fabricated beef cuts by a hotel supply house or ship supplier to purveyors of meals. No hotel supply house shall make sales to purveyors of meals until such selling establishment shall have filed a statement, in duplicate, with the appropriate Regional Office of the Office of Price Stabilization showing: (1) The total volume by weight of all meats, including sausage, variety meats and edible by-products, sold or delivered by it during 1950, excluding sales to defense procurement agencies; (2) The total volume by weight of all meats, including sausage, variety meats and edible by-products, sold or delivered by it during 1950 to purveyors of meals; (3) The percentage obtained by dividing the figure derived in (2) by the figure derived in (1).

[All prices are on a dollars per cwt. basis. The price for any fraction of a cwt. shall be reduced proportionately. The prices set forth herein include the cost of packaging, boxing, and freezing. You may not add the additions set forth in sections 42 through 48, inclusive.]

(2) If any beef carcass or wholesale cut does not clearly bear a correct grade mark, you shall not sell the cut above the ceiling price prescribed for the corresponding whole-sale cut of the lowest grade.

(3) If you are a hotel supply house, you may add \$1.50 per cwt. to the prices listed above.

(4) If you are a combination distributor not affiliated with a slaughterer you may add \$2.00 per cwt. to the prices listed above, and if you are a combination distributor affiliated with a slaughterer you may add \$2.00 per cwt. to the prices listed above on sales to purveyors of meals only.

(5) If a buyer sends you a written request in duplicate for tender-ray processing of any beef carcass or wholesale cut, stating therein that he will absorb the expense of the tender-ray processing, you may add an amount not exceeding two percent of the appropriate price listed above to that price.

A copy of the buyer's written request must be forwarded to the Office of Price Stabilization, Washington, D. C., before such addition may be taken.

[All prices are on a dollars per cwt. basis. The price for any fraction of a cwt. shall be reduced proportionately. The prices set forth herein include the cost of packaging, boxing, and freezing. You may not add the additions set forth in sections 42 through 48, inclusive.]

(6) On sales to defense procurement agencies you may add \$0.50 to the prices listed above.

[Section 20 amended by Amdts. 3, 4, and 6]

SEC. 21. Schedule II—Fabricated cuts.

Schedule II (a). Sales of fabricated beef cuts by a hotel supply house or ship supplier to purveyors of meals. No hotel supply house shall make sales to purveyors of meals until such selling establishment shall have filed a statement, in duplicate, with the appropriate Regional Office of the Office of Price Stabilization showing: (1) The total volume by weight of all meats, including sausage, variety meats and edible by-products, sold or delivered by it during 1950, excluding sales to defense procurement agencies; (2) The total volume by weight of all meats, including sausage, variety meats and edible by-products, sold or delivered by it during 1950 to purveyors of meals; (3) The percentage obtained by dividing the figure derived in (2) by the figure derived in (1).

[All prices are on a dollars per cwt. basis. The price for any fraction of a cwt. shall be reduced proportionately. The prices set forth herein include the cost of packaging, boxing, and freezing. You may not add the additions set forth in sections 42 through 48, inclusive.]

(6) On sales to defense procurement agencies you may add \$0.50 to the prices listed above.

[Section 20 amended by Amdts. 3, 4, and 6]

SEC. 21. Schedule II—Fabricated cuts.

(3) You may add to the prices listed above the actual cost of dry icing, if performed, but in no event more than \$1.00 per cwt.

[All prices are on a dollars per cwt. basis. The price for any fraction of a cwt. shall be reduced proportionately. The prices set forth herein include the cost of packaging, boxing, and freezing. You may not add the additional set forth in sections 42 through 48, inclusive.]

Fabricated beef cuts	Prices by grade			
	Prime	Choice	Good	Utility
1. Round (rump and flank off).....	\$78.00	\$78.00	\$78.00	\$67.10
2. Boneless rump (butt).....	88.40	88.40	88.40	74.30
3. Hind shank.....	31.20	31.20	31.20	31.20
4. Boneless round.....	88.40	88.40	88.40	74.30
5. Inside (top round).....	87.70	87.70	87.70	76.50
6. Outside (bottom round).....	87.70	87.70	87.70	76.50
7. Knuckle (hock).....	87.70	87.70	87.70	76.50
8. Gooseneck boneless round.....	87.70	87.70	87.70	76.50
9. Strip loin—bone in.....	102.70	102.70	102.70	81.70
10. Strip loin—boneless.....	102.70	102.70	102.70	81.70
11. Tenderloin.....	102.70	102.70	102.70	81.70
12. Boneless sirloin (butt).....	98.40	98.40	98.40	79.90
13. Top sirloin (butt).....	124.00	124.00	124.00	103.10
14. Bottom sirloin (butt).....	78.00	78.00	78.00	64.00
15. Boneless chuck.....	71.20	71.20	71.20	64.00
16. Boneless brisket—deckle off.....	88.40	88.40	88.40	74.30
17. Clod.....	88.40	88.40	88.40	74.30
18. Boneless brisket—deckle off.....	88.40	88.40	88.40	74.30
19. Oven prepared rib.....	102.70	102.70	102.70	81.70
20. Short rib.....	102.70	102.70	102.70	81.70
21. Rib—boned rolled and tied.....	102.70	102.70	102.70	81.70
22. Short loin—bone in.....	102.70	102.70	102.70	81.70
23. Sirloin—bone in.....	102.70	102.70	102.70	81.70
24. Boneless short plate.....	102.70	102.70	102.70	81.70
25. Cube steaks.....	102.70	102.70	102.70	81.70
26. Flank steaks.....	102.70	102.70	102.70	81.70
27. Club steaks.....	102.70	102.70	102.70	81.70
28. T-bone steaks—bone in.....	102.70	102.70	102.70	81.70
29. Porterhouse steaks—bone in.....	102.70	102.70	102.70	81.70
30. Boneless strip steaks.....	102.70	102.70	102.70	81.70
31. Boneless sirloin steaks.....	102.70	102.70	102.70	81.70
32. Top sirloin steaks.....	102.70	102.70	102.70	81.70
33. Ground beef—bulk.....	57.00	57.00	57.00	57.00
34. Lean ground beef—bulk.....	57.00	57.00	57.00	57.00
35. Ground beef patties.....	57.00	57.00	57.00	57.00
36. Lean ground beef patties.....	57.00	57.00	57.00	57.00
37. Ground boneless chuck.....	57.00	57.00	57.00	57.00
38. Stewing beef.....	57.00	57.00	57.00	57.00

If, at any time, a purchaser requests you to sell him ground beef (bulk) or ground beef patties and you are unable to supply his demand, you may not sell him lean ground beef or lean ground beef patties at a price in excess of the ceiling prices for ground beef (bulk) or ground beef patties.

SPECIAL ADJUSTMENTS

- (1) If your place of business is located in Zone 4b you may add \$2.00 per cwt. to the price listed above on all fabricated cuts derived from prime and choice grade beef.
- (2) You may add to the prices listed above the actual cost of dry icing, if performed, but in no event more than \$1.00 per cwt.

[All prices are on a dollars per cwt. basis. The price for any fraction of a cwt. shall be reduced proportionately. The prices set forth herein include the cost of packaging, boxing, and freezing. You may not add the additional set forth in sections 42 through 48, inclusive.]

establishment shall have filed a statement, in duplicate, with the appropriate Regional Office of the Office of Price Stabilization showing: (1) the total volume by weight of all meats including sausage, variety meats and edible by-products, sold or delivered by it during 1950, excluding sales to defense procurement agencies; (2) the total volume by weight of all meats, including sausage, variety meats and edible by-products, sold or delivered by it during 1950 to purveyors of meals; (3) the percentage obtained by dividing the figure derived in (2) by the figure derived in (1).

No peddler truck seller shall make sales to purveyor of meals until such seller shall have filed the report specified in section 46 of this regulation.

[All prices are on a dollars per cwt. basis. The price for any fraction of a cwt. shall be reduced proportionately. The prices set forth herein include the cost of packaging, boxing, and freezing. You may not add the additional set forth in sections 42 through 48, inclusive.]

Fabricated beef cuts	Prices by grade			
	Prime	Choice	Good	Utility
1. Round (rump and flank off).....	\$78.00	\$78.00	\$78.00	\$69.10
2. Boneless rump (butt).....	88.40	88.40	88.40	74.30
3. Hind shank.....	31.20	31.20	31.20	31.20
4. Boneless round.....	88.40	88.40	88.40	74.30
5. Inside (top round).....	87.70	87.70	87.70	76.50
6. Outside (bottom round).....	87.70	87.70	87.70	76.50
7. Knuckle (hock).....	87.70	87.70	87.70	76.50
8. Gooseneck boneless round.....	87.70	87.70	87.70	76.50
9. Strip loin—bone in.....	102.70	102.70	102.70	81.70
10. Strip loin—boneless.....	102.70	102.70	102.70	81.70
11. Tenderloin.....	102.70	102.70	102.70	81.70
12. Boneless sirloin (butt).....	98.40	98.40	98.40	79.90
13. Top sirloin (butt).....	124.00	124.00	124.00	103.10
14. Bottom sirloin (butt).....	78.00	78.00	78.00	64.00
15. Boneless chuck.....	71.20	71.20	71.20	64.00
16. Boneless brisket—deckle off.....	88.40	88.40	88.40	74.30
17. Clod.....	88.40	88.40	88.40	74.30
18. Boneless brisket—deckle off.....	88.40	88.40	88.40	74.30
19. Oven prepared rib.....	102.70	102.70	102.70	81.70
20. Short rib.....	102.70	102.70	102.70	81.70
21. Rib—boned rolled and tied.....	102.70	102.70	102.70	81.70
22. Short loin—bone in.....	102.70	102.70	102.70	81.70
23. Sirloin—bone in.....	102.70	102.70	102.70	81.70
24. Boneless short plate.....	102.70	102.70	102.70	81.70
25. Cube steaks.....	102.70	102.70	102.70	81.70
26. Flank steaks.....	102.70	102.70	102.70	81.70
27. Club steaks.....	102.70	102.70	102.70	81.70
28. T-bone steaks—bone in.....	102.70	102.70	102.70	81.70
29. Porterhouse steaks—bone in.....	102.70	102.70	102.70	81.70
30. Boneless strip steaks.....	102.70	102.70	102.70	81.70
31. Boneless sirloin steaks.....	102.70	102.70	102.70	81.70
32. Top sirloin steaks.....	102.70	102.70	102.70	81.70
33. Ground beef—bulk.....	57.00	57.00	57.00	57.00
34. Lean ground beef—bulk.....	57.00	57.00	57.00	57.00
35. Ground beef patties.....	57.00	57.00	57.00	57.00
36. Lean ground beef patties.....	57.00	57.00	57.00	57.00
37. Ground boneless chuck.....	57.00	57.00	57.00	57.00
38. Stewing beef.....	57.00	57.00	57.00	57.00

If, at any time, a purchaser requests you to sell him ground beef (bulk) or ground beef patties and you are unable to supply his demand, you may not sell him lean ground beef or lean ground beef patties at a price in excess of the ceiling prices for ground beef (bulk) or ground beef patties.

SPECIAL ADJUSTMENTS

- (1) If you sell to a ship supplier, you must sell at or below the prices specified in section 21 (c) of this regulation. If you sell to a hotel supply house or a combination distributor, you must sell at or below the prices specified in section 21 (c) of this regulation. If you sell to a hotel supply house or a combination distributor, you must sell at or below the prices specified in section 21 (c) of this regulation.

SPECIAL ADJUSTMENTS

- (1) If you sell to a ship supplier, you must sell at or below the prices specified in section 21 (c) of this regulation. If you sell to a hotel supply house or a combination distributor, you must sell at or below the prices specified in section 21 (c) of this regulation.

[All prices are on a dollars per cwt. basis. The price for any fraction of a cwt. shall be reduced proportionately. The prices set forth herein include the cost of packaging, boxing, and freezing. You may not add the additional set forth in sections 42 through 48, inclusive.]

Fabricated beef cuts	Prices by grade			
	Prime	Choice	Good	Utility
1. Round (rump and flank off).....	\$78.00	\$78.00	\$78.00	\$69.10
2. Boneless rump (butt).....	88.40	88.40	88.40	74.30
3. Hind shank.....	31.20	31.20	31.20	31.20
4. Boneless round.....	88.40	88.40	88.40	74.30
5. Inside (top round).....	87.70	87.70	87.70	76.50
6. Outside (bottom round).....	87.70	87.70	87.70	76.50
7. Knuckle (hock).....	87.70	87.70	87.70	76.50
8. Gooseneck boneless round.....	87.70	87.70	87.70	76.50
9. Strip loin—bone in.....	102.70	102.70	102.70	81.70
10. Strip loin—boneless.....	102.70	102.70	102.70	81.70
11. Tenderloin.....	102.70	102.70	102.70	81.70
12. Boneless sirloin (butt).....	98.40	98.40	98.40	79.90
13. Top sirloin (butt).....	124.00	124.00	124.00	103.10
14. Bottom sirloin (butt).....	78.00	78.00	78.00	64.00
15. Boneless chuck.....	71.20	71.20	71.20	64.00
16. Boneless brisket—deckle off.....	88.40	88.40	88.40	74.30
17. Clod.....	88.40	88.40	88.40	74.30
18. Boneless brisket—deckle off.....	88.40	88.40	88.40	74.30
19. Oven prepared rib.....	102.70	102.70	102.70	81.70
20. Short rib.....	102.70	102.70	102.70	81.70
21. Rib—boned rolled and tied.....	102.70	102.70	102.70	81.70
22. Short loin—bone in.....	102.70	102.70	102.70	81.70
23. Sirloin—bone in.....	102.70	102.70	102.70	81.70
24. Boneless short plate.....	102.70	102.70	102.70	81.70
25. Cube steaks.....	102.70	102.70	102.70	81.70
26. Flank steaks.....	102.70	102.70	102.70	81.70
27. Club steaks.....	102.70	102.70	102.70	81.70
28. T-bone steaks—bone in.....	102.70	102.70	102.70	81.70
29. Porterhouse steaks—bone in.....	102.70	102.70	102.70	81.70
30. Boneless strip steaks.....	102.70	102.70	102.70	81.70
31. Boneless sirloin steaks.....	102.70	102.70	102.70	81.70
32. Top sirloin steaks.....	102.70	102.70	102.70	81.70
33. Ground beef—bulk.....	57.00	57.00	57.00	57.00
34. Lean ground beef—bulk.....	57.00	57.00	57.00	57.00
35. Ground beef patties.....	57.00	57.00	57.00	57.00
36. Lean ground beef patties.....	57.00	57.00	57.00	57.00
37. Ground boneless chuck.....	57.00	57.00	57.00	57.00
38. Stewing beef.....	57.00	57.00	57.00	57.00

If, at any time, a purchaser requests you to sell him ground beef (bulk) or ground beef patties and you are unable to supply his demand, you may not sell him lean ground beef or lean ground beef patties at a price in excess of the ceiling prices for ground beef (bulk) or ground beef patties.

SPECIAL ADJUSTMENTS

- (1) If you sell to a ship supplier, you must sell at or below the prices specified in section 21 (c) of this regulation. If you sell to a hotel supply house or a combination distributor, you must sell at or below the prices specified in section 21 (c) of this regulation.

SPECIAL ADJUSTMENTS

- (1) If you sell to a ship supplier, you must sell at or below the prices specified in section 21 (c) of this regulation. If you sell to a hotel supply house or a combination distributor, you must sell at or below the prices specified in section 21 (c) of this regulation.

[All prices are on a dollars per cwt. basis. The price for any fraction of a cwt. shall be reduced proportionately. The prices set forth herein include the cost of packaging, boxing, and freezing. You may not add the additional set forth in sections 42 through 48, inclusive.]

Fabricated beef cuts	Prices by grade			
	Prime	Choice	Good	Utility
1. Round (rump and flank off).....	\$78.00	\$78.00	\$78.00	\$69.10
2. Boneless rump (butt).....	88.40	88.40	88.40	74.30
3. Hind shank.....	31.20	31.20	31.20	31.20
4. Boneless round.....	88.40	88.40	88.40	74.30
5. Inside (top round).....	87.70	87.70	87.70	76.50
6. Outside (bottom round).....	87.70	87.70	87.70	76.50
7. Knuckle (hock).....	87.70	87.70	87.70	76.50
8. Gooseneck boneless round.....	87.70	87.70	87.70	76.50
9. Strip loin—bone in.....	102.70	102.70	102.70	81.70
10. Strip loin—boneless.....	102.70	102.70	102.70	81.70
11. Tenderloin.....	102.70	102.70	102.70	81.70
12. Boneless sirloin (butt).....	98.40	98.40	98.40	79.90
13. Top sirloin (butt).....	124.00	124.00	124.00	103.10
14. Bottom sirloin (butt).....	78.00	78.00	78.00	64.00
15. Boneless chuck.....	71.20	71.20	71.20	64.00
16. Boneless brisket—deckle off.....	88.40	88.40	88.40	74.30
17. Clod.....	88.40	88.40	88.40	74.30
18. Boneless brisket—deckle off.....	88.40	88.40	88.40	74.30
19. Oven prepared rib.....	102.70	102.70	102.70	81.70
20. Short rib.....	102.70	102.70	102.70	81.70
21. Rib—boned rolled and tied.....	102.70	102.70	102.70	81.70
22. Short loin—bone in.....	102.70	102.70	102.70	81.70
23. Sirloin—bone in.....	102.70	102.70	102.70	81.70
24. Boneless short plate.....	102.70	102.70	102.70	81.70
25. Cube steaks.....	102.70	102.70	102.70	81.70
26. Flank steaks.....	102.70	102.70	102.70	81.70
27. Club steaks.....	102.70	102.70	102.70	81.70
28. T-bone steaks—bone in.....	102.70	102.70	102.70	81.70
29. Porterhouse steaks—bone in.....	102.70	102.70	102.70	81.70
30. Boneless strip steaks.....	102.70	102.70	102.70	81.70
31. Boneless sirloin steaks.....	102.70	102.70	102.70	81.70
32. Top sirloin steaks.....	102.70	102.70	102.70	81.70
33. Ground beef—bulk.....	57.00	57.00	57.00	57.00
34. Lean ground beef—bulk.....	57.00	57.00	57.00	57.00
35. Ground beef patties.....	57.00	57.00	57.00	57.00
36. Lean ground beef patties.....	57.00	57.00	57.00	57.00
37. Ground boneless chuck.....	57.00	57.00	57.00	57.00
38. Stewing beef.....	57.00	57.00	57.00	57.00

If, at any time, a purchaser requests you to sell him ground beef (bulk) or ground beef patties and you are unable to supply his demand, you may not sell him lean ground beef or lean ground beef patties at a price in excess of the ceiling prices for ground beef (bulk) or ground beef patties.

SPECIAL ADJUSTMENTS

- (1) If you sell to a ship supplier, you must sell at or below the prices specified in section 21 (c) of this regulation. If you sell to a hotel supply house or a combination distributor, you must sell at or below the prices specified in section 21 (c) of this regulation.

SEC. 22. Schedule III—Boneless beef cuts.

[All prices are on a dollar per cwt. basis. The price for any fraction of a cwt. shall be reduced proportionately. You may not add the additions set forth in sections 40, 43, 44, 47 and 48.]

Boneless cuts	Zone 1, prices by grade			All other zones
	Utility	Cutter and canner	(4)	
1. Insides and knuckles.....	\$74.00	\$65.00		
2. Clods.....	72.00	63.00		
3. Boneless strips.....	72.00	63.00		
4. Strips.....	72.00	63.00		
5. Regular ribs.....	100.00	76.00		
6. T-bone.....	110.00	83.00		
7. Flank steak.....	65.00	57.00		
8. Chunks (clod out).....	70.00	60.00		
9. Rump.....	72.00	63.00		
10. Round.....	55.00	50.00		
11. Ground beef (bulk).....	55.00	50.00		
12. Ground beef in casings.....	60.00	50.00		
13. Ground beef patties.....	61.00	51.00		
14. Stewing beef.....	47.00	40.00		
15. Trimmings.....	47.00	40.00		
16. Sterilized trimmings.....	58.00	53.00		
17. Shank meat.....	115.00			
18. Tenderloins (military specifications).....	65.00	65.00		
19. Lean ground beef (bulk).....	66.00	66.00		
20. Lean ground beef in casings.....	70.00	70.00		
21. Lean ground beef patties.....	72.00	72.00		
22. Outsides.....	64.00	65.00		
23. Skirt steaks.....				

Compute the zone differential allowance as provided for in section 40. For the purpose of computing this amount in this instance you must use your boning plant, or if you do not have, your selling establishment, as the distribution point. The price for each boneless beef cut (to which the applicable additions may be added) will be the Zone 1 price plus 1.4 times the zone differential allowance, adjusted to the nearest 10¢ per cwt.

For example, if your selling establishment is located in New York City, the zone differential allowance is computed by taking 115 percent of the fresh cut carcass price rate from Omaha to New York City, \$2.22 times 1.08 (the actual freight rate is \$2.22 and the rate is 3 percent). On the basis of previous allowed rate this comes out to times 1.15 equals \$2.63. This amount when rounded to the nearest 10 cents is \$2.60. If you wish to determine the price for utility rounds you refer to item 10, column (2) and you find the ceiling price is \$72.00. To this amount you add 1.4 times \$2.60, 1.4, \$3.64, which is rounded to (\$72.00 plus \$3.60).

To this amount you may add, either one of the special additions listed at the bottom of this schedule which applies to you and/or the additions in sections 41, 42, 45, or 46, which are applicable.

¹ If, at any time, a purchaser requests you to sell him ground beef (bulk) or ground beef patties and you are unable to supply his demand, you may not sell him lean ground beef (bulk) or lean ground beef patties at a price in excess of the ceiling price for ground beef (bulk) or ground beef patties.

SPECIAL ADDITIONS

- (1) If you are a hotel supply house, you may add \$1.50 per cwt. to the price listed above.
- (2) If you are a combination distributor not affiliated with a slaughterer you may add \$2.00 per cwt. to the prices listed above, and if you are a combination distributor affiliated with a slaughterer you may add \$2.00 per cwt. to the prices listed above on sales to purveyors of meals only.

Schedule IV

[All prices are on a dollar per cwt. basis. The price for any fraction of a cwt. shall be reduced proportionately. You may not add the additions set forth in sections 40, 42, 43, 44, 46, 47, and 48.]

Item	Zone 1 prices	Prices in all other zones
1. Fresh or frozen bull carcass—tenders out.....	\$59.70	Zone 1 price plus 1.28 times zone differential (rounded to nearest 10 cents)
2. Fresh or frozen kosher boneless bull fore-quarter. ¹	61.70	Zone 1 price plus 1.25 times zone differential (rounded to nearest 10 cents)
3. Fresh or frozen boneless carcass other than bull—tenders out.	57.00	Zone 1 price plus 1.43 times zone differential (rounded to nearest 10 cents)
4. Fresh or frozen kosher boneless beef fore-quarter other than bull. ¹	60.00	Zone 1 price plus 1.42 times zone differential (rounded to nearest 10 cents)

¹ The prices designated for items 2 and 4 for kosher beef shall apply only on sales to bona fide processors of kosher products. If you sell to a person other than a bona fide processor of kosher products, your selling price for kosher bull forequarters shall be the price of item 1 and your ceiling price for kosher boneless forequarters other than bull shall be the price of item 3, and, moreover, you must remove all stamps and designations which identify such meat as kosher.

Prices by grade

Fabricated beef cuts	Prime	Choice	Good	Commercial	Utility
5. Inside (top round).....	\$84.20	\$84.20	\$84.20	\$79.50	\$74.00
6. Outside (bottom round).....	84.20	84.20	84.20	79.50	72.00
7. Knuckle (fice).....	84.20	84.20	84.20	79.50	74.00
8. Gooseneck boneless round.....	81.00	81.00	81.00	76.70	71.00
9. Strip loin—bone in.....	146.40	126.50	106.10	76.50	78.60
10. Strip loin—boneless.....	184.90	159.70	133.90	100.20	99.20
11. Tenderloin.....	151.70	143.70	135.70	116.50	114.90
12. Boneless sirloin (butt).....	92.60	87.70	82.80	71.00	70.10
13. Top sirloin (butt).....	119.20	112.80	104.50	91.40	90.20
14. Boneless chuck.....	73.80	69.80	65.90	56.50	55.80
15. Boneless chuck (clod out).....	68.50	65.50	62.50	53.40	52.10
16. Beef.....	65.50	62.50	59.50	50.40	49.10
17. Boneless brisket—deckle off.....	78.50	75.50	72.50	63.40	62.10
18. Venison.....	73.10	70.10	67.10	58.00	56.70
19. Venison prepared rib.....	98.20	88.60	78.90	67.90	61.00
20. Short rib.....	21.30	21.30	21.30	21.30	21.30
21. Rib—boned rolled and tied.....	112.00	101.60	91.20	77.60	68.20
22. Short loin—bone in.....	73.00	71.80	70.60	63.90	58.30
23. Short loin—boneless.....	89.70	87.70	85.70	77.00	70.00
24. Boneless short plate.....	96.00	95.00	94.00	86.00	80.00
25. Chuck steaks.....	67.30	67.30	67.30	67.30	67.30
26. Flank steaks.....	147.30	129.30	111.30	88.10	85.20
27. Club steaks—bone in.....	147.30	129.30	111.30	88.10	85.20
28. T-bone steaks—bone in.....	147.30	129.30	111.30	88.10	85.20
29. Porterhouse steaks—bone in.....	147.30	129.30	111.30	88.10	85.20
30. Boneless sirloin steaks.....	194.20	167.70	140.60	105.30	104.20
31. Boneless sirloin steaks.....	194.20	167.70	140.60	105.30	104.20
32. Top sirloin steaks.....	147.30	129.30	111.30	88.10	85.20
33. Ground beef—bulk.....	55.00	55.00	55.00	55.00	55.00
34. Lean ground beef—bulk.....	65.00	65.00	65.00	65.00	65.00
35. Ground beef patties.....	70.00	70.00	70.00	70.00	70.00
36. Lean ground beef patties.....	75.00	75.00	75.00	75.00	75.00
37. Ground boneless chuck.....	65.30	65.30	65.30	65.30	65.30
38. Stewing beef.....	65.30	65.30	65.30	65.30	65.30

¹ If, at any time, a purchaser requests you to sell him ground beef (bulk) or ground beef patties and you are unable to supply his demand, you may not sell him lean ground beef or lean ground beef patties at a price in excess of the ceiling price for ground beef (bulk) or ground beef patties.

[Section 21 amended by Amdts. 3, 4, and 6]

SPECIAL ADDITIONS

(1) If you are not a slaughterer you may add \$1.50 per cwt. to the prices listed above.

(2) To the prices designated in items 2 and 4 for kosher beef you may add \$1.00 per cwt. where the beef is derived from cattle slaughtered in Zone 4a.

[Section 23 amended by Amdts. 3 and 6]

Schedule V

[All prices are on a dollars per cwt. basis, frozen and packaged. The price for any fraction of a cwt. shall be reduced proportionately. You may not add the additions set forth in Article IV, except the addition in section 41, if applicable.]

	Choice	Good	Commercial	Utility
1. Prices for Zone 1.....	\$82.70	\$78.80	\$72.50	\$69.70
2. Prices for all other zones.....	Zone 1 prices plus 1.45 times zone differential, (rounded to nearest 10 cents)			

SPECIAL ADDITIONS

(1) If you are not a slaughterer you may add \$1.50 per cwt. to the prices listed above if you made deliveries of 4-way beef to the armed forces prior to July 1, 1951. If you made no deliveries of 4-way beef prior to July 1, 1951, you may not add the \$1.50 per cwt. unless you receive specific authorization to do so from the Office of Price Stabilization, Washington, D. C.

In order to receive such authorization you should file a written application, in duplicate, with the Director of Price Stabilization, Washington 25, D. C., containing the following information: (i) Your name and address; (ii) the location of your plant; and (iii) a statement from your nearest local quartermaster market center office, certifying that the boning facilities of your plant are essential to meet military requirements for 4-way military beef. You may not add the \$1.50 per cwt. unless and until the Director of Price Stabilization notifies you, in writing, that authorization to do so has been granted.

(2) If you make a delivery to the buyer by common carrier and you pay the expense

[All prices are on a dollars per cwt. basis, frozen and packaged. The price for a fraction of a cwt. shall be reduced proportionately. You may not add the additions set forth in Article IV, except the addition in section 41, if applicable.]

Boneless processing beef for Army canned meats	Zone 1 prices	Prices in all other zones
1. Boneless carcass—tender out, utility grade.....	\$55.90	Zone 1 price plus 1.47 times zone differential (rounded to nearest 10 cents).
2. Boneless carcass—tender out, cutter and canner grades.....	60.00	Zone 1 price plus 1.47 times zone differential (rounded to nearest 10 cents).
3. Boneless beef from rounds, chuck, ribs and joints only—utility grade.....	72.80	Zone 1 price plus 2.0 times differential (rounded to nearest 10 cents).
4. Boneless bull meat—tenders out.....	63.80	Zone 1 price plus 1.34 times zone differential (rounded to nearest 10 cents).

SEC. 24. Schedule V—Frozen boneless beef (4-way military specifications). (a) Your ceiling prices for frozen boneless beef (4-way military specifications) shall be determined by using the same method of computation as provided in section 22, but applying the conversion factor listed below. These are f. o. b. plant prices.

SPECIAL ADDITIONS

(1) If you are not a slaughterer you may add \$1.50 per cwt. to the prices listed above.

SPECIAL REDUCTIONS

(1) If the boneless beef has been rejected by a defense procurement agency or any of its authorized agents or representatives, you shall deduct \$2.00 per cwt.

(2) If the boneless beef is delivered unfrozen, you shall deduct \$0.50 per cwt.

[Section 25 amended by Amdt. 6]

SEC. 26. Schedule VII—Beef variety meats and by-products.*

[All prices are on a dollars per cwt. basis. The price for any fraction of a cwt. shall be reduced proportionately. You may not add the additions set forth in sections 43, 44, 47, and 48 of this regulation.]

Item	Non-kosher	Kosher	Sales to purveyors of meals
1. Brains.....	\$17.00	\$20.00	\$19.00
2. Cheek meat.....	40.00	40.00	40.00
3. Hanging tender.....	47.00	55.00	---
4. Head meat.....	40.00	40.00	40.00
5. Hearts.....	35.00	40.00	40.00
6. Kidneys.....	14.00	21.00	17.00
7. Lips, unsalted.....	17.50	20.50	---
8. Lips, salted.....	18.50	20.00	---
9. Livers.....	60.00	80.00	75.00
10. Lungs.....	10.00	13.00	---
11. Melts.....	10.00	13.00	---
12. Sweet breads, heart.....	15.00	20.00	19.00
13. Sweet breads, neck.....	35.00	45.00	43.00
14. Tails.....	25.00	30.00	30.00
15 (a). Tongues (type No. 1).....	37.00	50.00	45.00
15 (b). Tongues (type No. 2).....	33.00	45.00	40.00
15 (c). Tongues (type No. 3).....	30.00	40.00	33.00
16. Tripe, cooked.....	15.00	13.00	---
17. Tripe, honeycomb.....	23.00	23.00	28.00
18. Tripe, salted.....	11.00	11.50	---
19. Udders.....	8.00	---	---

* You may add \$5 per cwt. to the prices listed above for sales of livers to a defense procurement agency.

* You may add \$5 per cwt. to the prices listed above for slicing livers for purveyors of meals.

* For any livers which do not meet the specifications in Appendix 6 (a) the ceiling price shall be reduced by \$5 per cwt.

[Section 26 amended by Amdts. 2 and 3]

ARTICLE III—DISTRIBUTION POINT

SEC. 30. Distribution point. The distribution point applicable to each of your sales determines the zone differential (section 40) and the local delivery addition (section 41), if applicable. In determining the distribution point applicable

*The ceiling prices for other beef variety meats and by-products shall be those established by the General Ceiling Price Regulation.

ble to each sale, you shall be governed as follows:

(a) Beef products priced under sections 22 through 25, inclusive. On sales of beef products priced under sections 22 through 25, inclusive, the distribution point is the seller's place of business.

(b) Beef products priced under sections 20, 21, and 26 sold to purveyors of meals. On sales of beef products priced under sections 20, 21, and 26 to purveyors of meals, the distribution point may be, at the option of the seller:

(1) The point at which the meat consigned to the purveyor of meals is delivered to a carrier for shipment to the purveyor, who pays the shipping charges directly to the carrier; or

(2) Any of the points designated in paragraphs (c) or (d) of this section.

(c) Beef products priced under sections 20, 21, and 26—less than carload shipments. On sales of less than carload shipments of beef products priced under sections 20, 21, and 26, the distribution point may be, at the option of the seller:

(1) The seller's place of business, if the buyer comes to the seller's plant to pick up the meat; or

(2) The seller's place of business if the seller makes a local delivery beginning at his place of business and continuing to the buyer's place of business; or

(3) The unloading station nearest the buyer's place of business.

(d) Beef products priced under sections 20, 21, and 26—carload shipments. On sales of carload shipments of beef products priced under sections 20, 21, and 26, the distribution point may be, at the option of the seller:

(1) The point at which the buyer takes actual physical possession of the meat; or

(2) The seller's place of business if the seller makes a local delivery beginning at his place of business and continuing to the buyer's place of business; or

(3) The point from which the meat consigned to the buyer is delivered to a carrier for shipment at the carload rate to the buyer who pays the shipping charges directly to the carrier; or

(4) The unloading station nearest the buyer's place of business.

(e) Substituted distribution points. If no carload freight rates are established to the applicable point listed in

paragraphs (a), (b), (c), or (d) of this section, the nearest point to which such freight rates are established shall become the applicable distribution point. [Section 30 amended by Amdt. 2]

ARTICLE IV—ZONE DIFFERENTIALS AND ADDITIONS

SEC. 40. Addition 1—Zone differentials—(a) *Zone 1.* No amount may be added as a zone differential where the distribution point is located in Zone 1.

(b) *Zone 2.* For beef grade prime or choice and for the beef variety meats and byproducts listed in section 26 of this regulation, the amount to be added as a zone differential where the distribution point is located in Zone 2 shall be the fresh meat railroad carload freight rate from Omaha, Nebraska, to the distribution point, or from Denver, Colorado, to the distribution point, whichever is lower, adjusted to the nearest 10¢ per cwt.

For beef graded good, commercial, utility, cutter or canner, no amount may be added as a zone differential where the distribution point is located in Zone 2.

[Paragraph (b) amended by Amdt. 3]

(c) *Zone 2a.* For beef graded prime or choice and for the beef variety meats and byproducts listed in section 26 of this regulation, the amount to be added as a zone differential where the distribution point is located in Zone 2a shall be determined by multiplying by 115 percent the fresh meat railroad carload freight rate from Omaha, Nebraska, to the distribution point, adjusted to the nearest 10¢ per cwt.

For beef graded good, commercial, utility, cutter or canner, the amount to be added as a zone differential where the distribution point is located in Zone 2a shall be determined by multiplying by 60 percent the fresh meat railroad carload freight rate from Omaha, Nebraska, to the distribution point, adjusted to the nearest 10¢ per cwt.

[Paragraph (c) amended by Amdt. 3]

(d) *Zone 3.* The amount to be added as a zone differential where the distribution point is located in Zone 3 shall be the fresh meat railroad carload freight rate from Denver, Colorado, to the distribution point, adjusted to the nearest 10¢ per cwt.

(e) *Zone 4, Zone 4a and Zone 4b.* The amount to be added as a zone differential where the distribution point is located in Zone 4, Zone 4a, or Zone 4b shall be determined by multiplying by 115 percent the fresh meat railroad carload freight rate from Omaha, Nebraska, to the distribution point, adjusted to the nearest 10¢ per cwt.

(f) *Zone 2b.* The amount to be added as a zone differential where the distribution point is located in Zone 2b shall be determined by multiplying by 60 percent the fresh meat railroad carload freight rate from Omaha, Nebraska, to the dis-

¹ For fabricated cuts, you may substitute 125 percent of the fresh meat railroad carload freight rate where 115 percent is allowed, 110 percent where actual fresh meat railroad carload freight rate is allowed, and 70 percent where 60 percent is allowed in this section 40.

tribution point, adjusted to the nearest 10¢ per cwt.

[Paragraph (f) added by Amdt. 4]

(g) *Zone 2c.* For beef graded prime or choice, and for beef variety meats and byproducts listed in section 26 of this regulation the amount to be added as a zone differential where the distribution point is located in Zone 2c shall be the fresh meat railroad carload freight rate from Denver, Colorado, to the distribution point, adjusted to the nearest 10¢ per cwt.

For beef graded good, commercial, utility, cutter or canner, the amount to be added as a zone differential where the distribution point is located in Zone 2c shall be determined by multiplying by 60 percent the fresh meat railroad carload freight rate from Denver, Colorado, to the distribution point, adjusted to the nearest 10¢ per cwt.

[Paragraph (g) added by Amdt. 4]

SEC. 41. Addition 2—Local delivery. (a) Where you make (or pay a contract carrier to make) a local delivery of not in excess of 3,000 pounds in any one day to the delivery point designated by the buyer, you may add to the prices specified in Schedules I through VII, inclusive, the amount indicated for the distances set forth below:

Amount	Distance of delivery ¹
\$0.40-----	Up to 35 miles.
\$0.60-----	35 to 75 miles.
\$1.00-----	75 to 150 miles.
\$1.30-----	Over 150 miles.

¹ In terms of shortest railroad and/or truck route.

[Paragraph (a) amended by Amdt. 6]

(b) Where you make a local delivery in excess of 3,000 pounds in any one day to the delivery point designated by the buyer, you may add to the prices specified in Schedules I through VII, inclusive, for local delivery, the lowest of the following three amounts:

- (1) The regular commercial rate
- (2) The actual cost of making the delivery
- (3) The amount specified in (a) above for local delivery for a corresponding distance.

[Paragraph (b) amended by Amdts. 2 and 6]

SEC. 42. Addition 3. Wholesaler's addition. On the sale of any beef product (not obtained through custom slaughtering):

- (a) (1) To retailers, you may add \$2.25 per cwt. to the prices specified in Schedules I, III, VII, and section 4 (b) (2) of this regulation, or
- (2) To purveyors of meals, you may add \$2.25 per cwt. to the prices specified in Schedule I, III, and section 4 (b) (2), or
- (3) To another wholesaler, you may add \$0.75 per cwt. to the prices specified in Schedules I, III, VII, and section 4 (b) (2), or
- (4) To other buyers, you may add \$1.25 per cwt. to the prices specified in Schedules I, III, VII, and section 4 (b) (2).

You may not add this wholesaler's selling addition unless you are a wholesaler as defined in section 50, and unless you have filed with the appropriate Regional Office of the Office of Price Stabilization a signed statement containing the following:

- (i) Your name.
- (ii) The address of your selling establishment.
- (iii) The date that you began doing business as a wholesaler.
- (iv) The type or types of customers to whom you regularly and customarily sell your product.

(b) *Addition for certain affiliated wholesalers.* (1) If you do not qualify as a wholesaler, only by reason of the fact that you do not meet the requirements of section 50 (u) (2) of this regulation, you may add the appropriate wholesaler's addition on sales of those beef products you buy for resale from unaffiliated sources, *Provided:*

- (i) The product is readily distinguishable as having been purchased for resale (i. e., it bears the registration number required by section 3 (f) or 4 (f) of Distribution Regulation 1 or any wrapping or packaging bearing the name or identification of the non-affiliated slaughterer from whom you bought);
- (ii) The name of the person from whom you bought for resale is stated on your invoice. (If the item is a wrapped or packaged item, the name of the person whose identification appears on the package or wrapper must be shown.)

(iii) After July 1, 1951, you do not sell any beef carcasses or wholesale cuts to any slaughterer, packer, packer's branch house, or any person affiliated therewith;

(iv) You do not, during any calendar quarter beginning on or after July 1, 1951, take the addition on a greater volume, by weight, of beef than you obtained from unaffiliated sources and resold during the last quarter of 1950;

(v) You file with your Regional Office, on or before August 1, 1951, a statement showing the volume by weight of beef you obtained from unaffiliated sources and resold during the last quarter of 1950;

(vi) You file with your Regional Office, on or before October 15, 1951, and on or before the 15th day following the end of each calendar quarter ending on or after December 31, 1951, a statement showing, for the calendar quarter ended prior to the reporting date:

(a) The total volume by weight of beef obtained for resale from unaffiliated sources, and

(b) The total volume by weight of beef sold on which the wholesaler's addition was charged.

[Section 42 amended by Amdt. 3]

SEC. 43. Addition 4—Freezing for defense procurement agencies. On sales of beef carcasses or wholesale cuts to a defense procurement agency, you may add to the prices specified in Schedule I 65¢ per cwt. for freezing.

SEC. 44. Addition 5. Wrapping. If you completely wrap any beef carcass or wholesale cut both in krinkle kraft paper and in a stockinette, you may add to the price specified in Schedule I an amount equal to the cost of such wrapping, but

such addition shall not be in excess of 35¢ per cwt.

[Section 44 amended by Amdt. 3]

SEC. 45. Addition 6—Packing in shipping containers. For packing beef products in the following containers you may add to the prices specified in Schedules I, III, IV and VII the amount specified below opposite the type of container used.

	Cwt.
5/15 Lbs. Wood, metal or solid fibre containers	\$1.80
16/35 Lbs. Wood, metal or solid fibre containers	1.50
36/65 Lbs. Wood, wire-bound crates, or solid fibre boxes	1.00
65 Lbs./Up Wood, wire-bound crates, or solid fibre boxes	0.80
Barrels	0.70
Corrugated boxes (all)	0.70

No more than one container addition may be made for any one product.

[Section 45 amended by Amdt. 3]

SEC. 46. Addition 7—Peddler truck selling addition. On a peddler truck sale to a buyer's store door or place designated by the buyer for delivery, you may add \$2.50 per cwt. to the prices specified in Schedules I, III, and VII.

You may not add this addition unless you make a peddler truck sale as defined in section 50 and unless you have filed with the appropriate Regional Office of the Office of Price Stabilization a signed statement containing the following:

- Your name.
- Your business address.
- The date you began doing business as a peddler truck operator.
- The type or types of customers to whom you regularly and customarily sell your product.

SEC. 47. Addition 8—Kosher forequarters and kosher wholesale cuts. For any grade of kosher beef triangle or kosher wholesale cut obtained from the triangle sold to a bona fide purchaser of kosher meat, you may add \$1.20 per cwt. to the prices specified in Schedule I.

For any grade of kosher forequarter sold to a bona fide purchaser of kosher meat, you may add \$1.00 to the prices specified in Schedule I.

SEC. 48. Addition 9—Beef from cattle slaughtered in Zone 4 (a). (a) On sales to retailers or purveyors of meals, of non-kosher forequarters or of non-kosher wholesale cut derived from the forequarter obtained from prime, choice, good or commercial grade beef slaughtered in Zone 4 (a), you may add \$1.00 per cwt. to the prices specified in Schedule I.

(b) For the following kosher beef cuts derived from cattle slaughtered in Zone 4 (a), you may add (in addition to the amount permitted in section 47 of this regulation) the following amounts:

Item	Amount (per cwt.)
Brisket	\$4.00
Plate	3.00
Chuck	2.00
Fore Shank	2.00
Forequarter and triangle	1.50

(You shall not add these amounts unless the meat is sold to a bona fide buyer of kosher meats and clearly shows the appropriate abattoir stamp.)

[Section 48 amended by Amdts. 2 and 6]

ARTICLE V—GENERAL DEFINITIONS

SEC. 50. General definitions. When used in this regulation, the term:

(a) **Affiliated** means the relationship existing between two persons when one is owned or controlled by the other, or both are owned or controlled by the same person, or when one is an employee or agent of the other. Own or control means to own or control directly or indirectly a partnership equity or in excess of 10 percent of any class of outstanding stock, or to have made loans or advances in excess of 5 percent of the other person's monthly sales.

(b) **Beef** means meat graded as beef pursuant to the provisions of Distribution Regulation 2 and in accordance with the "Official U. S. Standards for Grades of Carcass Beef" of the United States Department of Agriculture.

(c) **Beef product** means a product produced in whole or substantial part from beef, except sausage and canned meats.

(d) **Buyer of kosher meat** means a person who maintains a selling establishment at or through which he regularly and generally sells kosher meat as such, or a person who is a purveyor of kosher meals.

(e) **Carload** means

(1) A shipment by rail of fresh or frozen wholesale meat cuts, and/or cured meat cuts, meat or processed products and/or carcasses or any combination of the foregoing to a single delivery point, of at least the minimum weight upon which the railroad carload rate from the point of shipment to the delivery point, as evidenced by the tariff of railroad carriers, is based: *Provided*, That where the transportation charge for shipment of a lesser weight at the railroad carload rate would be less than the transportation charge for that shipment at the railroad less-than-carload rate, that shipment shall be considered a carload; or

(2) A shipment by motor truck or trucks to a single delivery point of 15,000 pounds or more of fresh or frozen wholesale meat cuts and/or cured meat cuts, meat or processed products and/or carcasses, or any combination of the foregoing, as a single bulk sale transaction; or

(3) Any single bulk sale transaction wherein the buyer takes delivery at the seller's place of business of 15,000 pounds or more of fresh or frozen wholesale meat cuts and/or cured meat cuts, meat or processed products and/or carcasses or any combination of the foregoing.

(f) **Club cattle** means any cattle which have been bred, raised and fed, or fed only, by a member of a 4-H or F.F.A. club under the supervision of the Extension Service of the United States, or by an individual participating in a vocational agricultural project under the supervision of a vocational teacher in any recognized Vocational Agricultural Department, and which have been certified in writing to conform to the provisions hereof by the supervisor, club agent, agricultural County Agent or vocational agricultural project teacher under whose supervision such cattle were bred, raised, or fed.

(g) **Combination distributor** means any establishment (1) Which is not affiliated with a packing or slaughtering plant, packer's branch house, wholesaler's or other non-retail meat selling establishment, and which sold or delivered to purveyors of meals during 1950 not less than 25 percent of the total volume by weight of all meats, including sausage, variety meats and edible by-products, sold or delivered by it, excluding sales to defense procurement agencies; or

(2) Which is not affiliated with a packing or slaughtering plant, packer's branch house, wholesaler's or other non-retail meat selling establishment to which it is physically attached; and, which sold or delivered to purveyors of meals during 1950 not less than 25 percent of the total volume by weight of all meats including sausage, variety meats and edible by-products, sold or delivered by it, excluding sales to defense procurement agencies.

[Paragraph (g) amended by Amdts. 2 and 3]

(h) **Defense procurement agency** means the Department of Defense (including the Department of the Army, the Department of the Navy, and the Department of the Air Force), the Maritime Administration of the Department of Commerce, the Marine Corps, the United States Coast Guard, the Department of Agriculture, the Veterans Administration or any agency of the foregoing.

(i) **Fresh meat carload freight rate or carload freight rate** means the charge solely for transportation of a carload of fresh beef (exclusive of any charge for services, e. g., icing), including the federal transportation tax thereon. If there is a charge for carloads of fresh meat hung carcasses and for carloads of other fresh meat, then fresh meat carload freight rate or carload freight rate shall mean the simple average of those two charges, exclusive of any charge for services, and including the federal transportation tax thereon, except where the distribution point is in Zone 3. Where the distribution point is in Zone 3, and the two charges pertain, fresh meat carload freight rate or carload freight rate shall mean the charge for carloads of fresh meat other than hung carcasses, exclusive of any charge for services, and including the federal transportation tax thereon.

[Paragraph (i) amended by Amdt. 2]

(j) **Grades** means the uniform grades required under Distribution Regulation 2.

(k) **Hotel supply house** means any establishment

(1) Which sold or delivered to purveyors of meals during 1950 not less than 70 percent of the total volume by weight of all meats, including sausage, variety meats and edible by-products, sold or delivered by it, excluding sales to defense procurement agencies, and

(2) Which is not affiliated with a packing or slaughtering plant, packer's branch house, wholesaler's or other non-retail meat selling establishment.

[Subparagraph (2) amended by Amdt. 2]

(l) **Local delivery** means delivery commencing at the distribution point and continuing to the buyer's place of

business or to the delivery point designated by the buyer.

(m) *Peddler truck sale* means a sale of beef from a truck by a person

(1) Who purchases beef at or below the ceiling price from a seller with whom he has no other financial affiliations or relationships;

(2) Who takes delivery at the seller's place of business;

(3) Who does not sell or deal in meat in any manner other than sales out of stock carried in a truck driven by him; and

(4) Who has sold meat in this manner at any time between Jan. 1, 1950, and the issuance date of this regulation.

(n) *Purveyor of meals* means

(1) Any restaurant, hotel, cafe, cafeteria or establishment which purchases meats and serves meals, food portions or refreshments for a consideration; or

(2) Any hospital, asylum, orphanage, prison or other similar institution; or

(3) Any person who is feeding, pursuant to a written contract with an agency of the United States, personnel of the armed services of the United States, fed under the command of a commissioned or noncommissioned officer or other authorized representative of the armed services of the United States, but in no event shall any defense procurement agency be considered a purveyor of meals; or

[Subparagraph (3) amended by Amdt. 6]

(4) Any person operating an ocean-going vessel or Great Lakes vessel, engaged in the transportation of cargo or passengers in foreign, coastwise, inter-coastal trade, or trade upon the Great Lakes, if meat is delivered for consumption aboard such vessels.

(o) *Sales at retail* means a sale to an individual for consumption by himself or his family off the seller's premises. A retailer means a person who sells at retail.

(p) *Shipment*, whenever used in section 9 (b), means commodities which are consigned to a single buyer as part of a single freight car or truck movement or delivery to the place of business or warehouse of the buyer, other than a consignment or delivery of the entire content of a common carrier, freight car or truck to a defense procurement agency.

(q) *Ship supplier* means any person who sells and/or delivers meats and/or other food products to ship operators.

(r) *Slaughterer* means a person who owns or is affiliated with a slaughtering plant or slaughtering facilities, or who has livestock slaughtered for him by another person.

(s) *Slaughtering facilities* means any equipment designed or used for the commercial killing of calves, cattle, lambs, sheep, or hogs.

(t) *Slaughtering plant* means any place equipped or used for the commercial killing of calves, cattle, lambs, sheep or hogs.

(u) *Wholesaler* means a person (other than a hotel supply house, combination distributor, peddler truck seller)

(1) Who buys beef for resale; and

(2) Who is not affiliated with any slaughtering plant or facilities, engaged in the slaughtering of cattle: and

(3) Who maintains and operates a separate selling establishment, equipped with reasonable and adequate storage facilities, in such a manner that the total monthly poundage of meats and meat by-products sold out of stock carried in his separate selling establishment constitutes not less than 90 percent of the total monthly poundage of all meats and meat by-products resold by him; and

(4) Who operated in this manner at any time between Jan. 1, 1950 and the issuance date of this regulation.

If you are a wholesaler within the meaning of the foregoing definition and if you also qualify as a combination distributor or hotel supply house under section 50 (g), or 50 (k), respectively, you must elect whether you shall be a wholesaler or a combination distributor, or hotel supply house. You shall make your election by filing with your Regional Office of the Office of Price Stabilization the statement required by section 42 of this regulation if you elect to be a wholesaler, or the statement required by section 21 (a) if you elect to be a hotel supply house or the statement required by section 21 (b) if you elect to be a combination distributor. This election shall be made on or before May 30, 1951. If, before that date, you have filed with your Regional Office more than one of the aforesaid statements, you shall, on or before May 30, 1951, notify your Regional Office by a statement in writing of the classification you elect. Once you have made this election, you may not change to a different classification until after December 31, 1951. You may change your classification, once after December 31, 1951, and once after June 30, 1952, and once after each successive December 31 and June 30 thereafter. You shall notify your Regional Office of such change of classification by a statement in writing. The change in your classification shall be effective five days after you have mailed or delivered such a statement to the Regional Office. If, however, you have not operated in this manner at any time between January 1, 1950, and April 30, 1951, but you have made a substantial investment in plant or equipment prior to February 9, 1951, you may file an application with the Director of Price Stabilization, Washington, D. C., requesting that you be qualified as a wholesaler. Your application shall state the nature and extent of your investment in plant or equipment and when such investment was made. If the Director finds that you have made such an investment prior to February 9, 1951, he may, by order, qualify you as a wholesaler under the appropriate provision of this section.

[Subparagraph (4) amended by Amdts. 2 and 3]

(v) *You or person* indicates the person subject to this regulation, including any individual, corporation, partnership, association, or any other organized group of persons, or legal successor or representative of any of the foregoing and includes the United States or any agency thereof, or any other government, or any of its political subdivisions, or any agency of any of the foregoing: *Provided*, That no punishment

provided by this regulation shall apply to the United States or to any such government, political subdivision, or agency.

NOTE: The record keeping and reporting requirements of this regulation have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

MICHAEL V. DiSALLE,
Director of Price Stabilization.

By: J. L. DWYER,
Recording Secretary.

APPENDIX 1—ZONE DEFINITIONS

(a) *Zone 1.* Zone 1 means the area described as follows:

The entire States of Nebraska, Kansas, and South Dakota;

The entire State of Missouri, except the City of St. Louis and St. Louis County;

The portion of Colorado included in the following counties: Sedgwick, Phillips, Yuma, Kit Carson, Cheyenne, Logan, Washington, Lincoln, Weld, Morgan, Denver, Adams, Arapahoe, Douglas, Elbert, El Paso, Teller, Pueblo, Crowley, Otero, Bent, Kiowa, and Prowers;

The portion of Wyoming included in the counties of Platte, Goshen and Laramie;

The portion of Wisconsin west of and including the counties of Iron, Price, Taylor, Clark, Jackson, Monroe, Vernon, and Crawford; and

The portion of Minnesota south of and including the counties of Traverse, Grant, Douglas, Todd, Morrison, Mille Lacs, Kanabec, and Pine.

The entire State of Iowa except the counties of Dubuque, Jackson, Clinton and Scott.

[Paragraph (a) amended by Amdts. 3 and 4]

(b) *Zone 2.* Zone 2 means the area described as follows:

The entire States of Oklahoma, Arkansas, Louisiana, New Mexico, and North Dakota;

The portion of Wyoming which is not included in Zone 1;

The portion of Colorado which is not included in Zone 1;

The portion of Minnesota which is not included in Zone 1; and

The portion of Montana east of and including the Counties of Phillips, Petroleum, Musselshell, Yellowstone, and Big Horn.

The entire State of Texas, except that portion west and southwest of the Pecos River.

[Paragraph (b) amended by Amdt. 4]

(c) *Zone 2a.* Zone 2a means the portion of Wisconsin which is not included in Zone 1.

(d) *Zone 3.* Zone 3 means the area described as follows:

The entire States of California, Utah, Nevada, Washington, Oregon, Arizona, and Idaho; and

The portion of Montana which is not included in Zone 2.

(e) *Zone 4.* Zone 4 means that portion of the United States which is not included in Zones 1, 2, 2a, 3, 4a, or 4b.

(f) *Zone 4a.* Zone 4a means the area described as follows:

The entire States of Maine, New Hampshire, Vermont, Massachusetts, Connecticut, Rhode Island, New Jersey, Delaware, Maryland, and the District of Columbia;

The portion of New York east of and including the Counties of St. Lawrence, Jefferson, Lewis, Herkimer, Otsego and east and southeast of and including the County of Delaware; and

The portion of Pennsylvania east of and including the Counties of Tioga, Lycoming, Union, Mifflin, Juniata, Perry, and Franklin.

(g) *Zone 4b.* Zone 4b means the area described as follows:

The portion of Florida south of and including the counties of Pinellas, Hillsborough, Polk, Orange, Seminole, and Volusia.

(h) *Zone 2b.* Zone 2b means the area described as follows:

The portion of Iowa which is not included in Zone 1, i. e., the counties of Dubuque, Jackson, Clinton, and Scott.

[Paragraph (h) added by Amdt. 4]

(1) *Zone 2c.* Zone 2c means the area described as follows:

The portion of Texas which is not included in Zone 2, i. e., that portion of Texas west and southwest of the Pecos River.

[Paragraph (i) added by Amdt. 4]

APPENDIX 2—BEEF CARCASSES AND WHOLESALE CUTS DEFINITIONS

(a) Section 58 of this regulation contains a chart showing the cuts the technical descriptions of which are given below. When used in this regulation, the term:

(1) *Beef carcass* means and is limited to two sides of beef or two hindquarters and two forequarters derived in either case from the same beef animal which shall be dressed in the following manner: The head shall be removed by disjuncting at the socket joint (occipito-atlas). The hide shall be entirely removed. The belly shall be opened by cutting or sawing through the aitch bone (symphysis-pelvis) down the belly in a straight line to the center of the sternum bone and continuing through the sternum bone to the neck. All the viscera (not including the kidneys and the kidney fat) shall be removed. The heart (mediastinal) fat, caul fat and the sweetbreads from the neck shall be entirely removed. The front feet shall be detached at the lower knee (carpo-metacarpal) joint and the hind legs shall be detached at the hock (tarsometatarsal joint). The tail shall be removed leaving not more than two tail (caudal) vertebrae remaining attached to the carcass.

In dressing cows the udders shall be entirely removed. In dressing steers, stags, and bulls the entire genito-urinary tract shall be removed. The carcass shall be separated into two sides by splitting or sawing the chine bones as nearly as possible through the center of the spinal column and spinous processes so that the spinal cord is fully exposed. The muscular portion of the skirt (diaphragm) shall be left attached to the carcass but the non-muscular part (centrum tendineum) shall be trimmed so as to leave not more than $\frac{1}{2}$ inch of it remaining adjacent to the red (muscle) meat. Bruises and grubs shall be trimmed out. The hanging tender shall be left on the carcass. The inside of the carcass shall be thoroughly cleaned by washing. The beef carcass shall not be broken in any other manner than as provided below.

Side of beef means a hindquarter and forequarter separated or attached which are derived from one side of a beef animal and which have been dressed in accordance with the specifications applicable to "beef carcass".

Beef wholesale cut means and is limited to any of the following cuts meeting the following minimum specifications, derived from the beef carcass, but excluding the offal and any item not included therein. (All measurements prescribed herein shall be made with a rigid straight ruler. All cuts shall be made according to the definite guides and measurements specified. Ribs are designated as 1st to 13th, inclusive, counting as the 1st rib that one which is nearest the neck end of the side).

(2) *Hindquarter* means the posterior portion of the side remaining after the severance of the 12-rib forequarter from the side, and comprising the round, full loin including the 13th rib, flank, kidney and hanging tender all in one piece, which posterior portion shall be obtained by cutting the beef side between the 12th and 13th ribs, keeping the knife firmly against the 12th rib while cutting down the length of the rib to the point at the end of the rib where the rib joins the rib (costal) cartilage, from which point passing through the cartilage

and meat of the flank and short plate in the same straight line, completing the cut.

(3) *Forequarter* means the anterior portion of the side remaining after the severance of the 1-rib hindquarter from the side and comprises the rib, regular chuck, brisket, short plate and fore-shank, all in one piece, which anterior portion contains the first to twelfth ribs, inclusive. No heart (mediastinal) fat or neck sweetbreads and not more than one-half inch of the fibrous part (centrum tendineum) of the skirt (diaphragm) shall appear in the forequarter and otherwise it shall be dressed in accordance with the specifications applicable to "beef carcass" as set forth in Appendix 2 (a) (1).

(4) *Round* means the portion of the hindquarter remaining after the severance of untrimmed full loin, and flank from the hindquarter, which portion shall be obtained as follows: The untrimmed full loin and flank shall be severed from the hindquarter by cutting in a straight line perpendicular to the contour of the outside or skin surface of the hindquarter. The cut shall be made on a straight line formed by and starting from that point on the backbone which is the juncture of the last (5th) sacral vertebra and the first (1st) tail (caudal) vertebra, and passing through the point which just misses the end of the protuberance of the femur bone and exposes the ball of the femur bone, continuing in the same straight line beyond the second point to complete the cut. Two tail vertebrae shall be left on the round. Attached to the tail bone of the round shall be the tip or rear corner of the fifth sacral vertebra. All cod, udder and pelvic fat remaining on the round after its severance from the full loin and flank shall remain on the round.

(5) *Trimmed full loin* means the portion of the hindquarter remaining after the severance of the round, flank, hanging tender (from the open side), kidney knob and excess loin (lumbar) and pelvic (sacral) fat from the inside of the loin, from the hindquarter, and comprising the short loin and sirloin (loin end) in one piece, the backbone of which portion shall include one and one-half (1½) thoracic vertebrae, six (6) lumbar vertebrae, and five (5) sacral vertebrae (the tip or rear corner of the fifth sacral vertebrae shall have been sawed off in severing the round from the full loin and flank), and which portion shall be obtained as follows:

First, part of the kidney knob, all of the kidney and the fat lying closely around the kidney in open (left) and closed (right) sides shall be removed first by a cut starting at the rear end of the kidney and slanting directly to the front edge of the half of the 12th thoracic vertebra at the point of severance of the hindquarter and forequarter.

Second, the hanging tender, which means the cylindrical shaped piece of lean meat attached at one end under the kidney knob in open (left) side hindquarters shall be removed entirely from open side loins by being severed at a point opposite the juncture of the 1st and 2d lumbar vertebrae.

Third, after the severance of the round from the hindquarter, the flank shall be severed from the full loin by a cut starting at the heavy end of the full loin at the ventral point of severance of the round from the hindquarter and continuing in a straight line to a fixed point on the inside of the 13th rib determined by measuring off ten inches in a straight line from the center of the protruding edge of the 13th thoracic vertebra, but in making the cut no more than one (1) inch of cod or udder fat shall be left on the flank side of the face of the loin.

NOTE: The 10-inch measurement shall be made from the center of the protruding edge of the 13th thoracic vertebra and not from the hollow of the chine bone where the 13th rib joins the 13th thoracic vertebra.

Fourth, the excess loin (lumbar) and pelvic (sacral) fat shall be trimmed from the

inside of the full loin by placing the full loin upon a flat surface, with no other support to change its position, meat side down, and removing all fat which extends above a flat plane parallel with the flat surface supporting the full loin and on a level with the full length of the protruding edge of the lumbar section of the chine bone. Then all fat shall be removed which extends above a flat plane using the following two lines as guides for each edge of the plane: an imaginary line parallel with the full length of the protruding edge of the lumbar section of the chine bone which line extends 1 inch directly above such protruding edge; a line on the inside of the loin two inches from the flank edge and running parallel with such edge for the full length of the loin. All fat obstructing the measurement of the second line shall first be removed. In addition to the foregoing all rough fat in the pelvic cavity of the heavy end of the loin (sirloin) shall be trimmed smooth and trimming by a knife shall be apparent. No fat remaining in the pelvic cavity shall exceed one inch in depth.

(6) *Flank* means the portion of the hindquarter remaining after the severance of the round and untrimmed full loin from the hindquarter, which shall be obtained after the removal of the round by separation from the untrimmed full loin, starting the cut at the point at the lower end of the loin end (sirloin) which was the ventral point of separation of the full loin and round, leaving no more than 1 inch of cod or udder fat attached to the flank side of the face of the full loin, and continuing in a straight line to a fixed point on the inside of the 13th rib determined by measuring off ten inches in a straight line along the 13th rib from the center of the protruding edge of the 13th thoracic vertebra.

NOTE: The 10-inch measurement shall be made from the center of the protruding edge of the 13th thoracic vertebra and not from the hollow of the chine bone where the 13th rib joins the 13th thoracic vertebra.

(7) *Cross cut chuck* (Kosher or traefor) means the portion of the forequarter remaining after the severance of the rib and short plate from the forequarter, and comprising the regular chuck, brisket and fore-shank all in one piece, which portion shall be obtained by cutting through the forequarter in a straight line between the 5th and 6th ribs, keeping the knife firmly against the 5th rib, while cutting to the point where the 5th rib joins the rib (costal) cartilage, at which point the cut shall continue in the same straight line through the cartilage, the breast bone (sternum) and the meat of the brisket and short plate to complete the severance. The cross cut chuck shall contain five (5) ribs (1st to 5th, inclusive).

(8) *Regular chuck* means the portion of the cross cut chuck remaining after the severance of the foreshank and brisket from the cross cut chuck, and containing most of the blade bone (scapula), part of the arm bone (humerus), parts of the five ribs (1st to 5th, inclusive), that section of the back bone attached to the ribs, and the neck bone (cervical vertebrae from 1 to 7, inclusive), which portion shall be obtained by a cut through the cross cut chuck made in a straight line perpendicular to the contour of the outside or skin surface of the cross cut chuck (thereby separating the brisket and foreshank from the cross cut chuck) starting at a fixed point on the inside of the 5th rib determined by measuring off ten (10) inches along the 5th rib in a straight line from the center of the protruding edge of the 5th thoracic vertebra, continuing in the same straight line to the tip of the forward end of the breast bone (forward end of 1st segment of sternum), and passing through the (humerus) arm bone in the same straight line to complete the cut.

NOTE: The 10-inch measurement shall be made from the center of the protruding edge of the 5th thoracic vertebra and not from

the hollow of the chine bone where the 5th rib joins the 5th thoracic vertebra.

(9) *Foreshank* means the portion of the cross cut chuck remaining after the severance of the regular chuck and brisket from the cross cut chuck, which portion shall be obtained (after separation of the regular chuck) by separation from the brisket by a cut following the natural seam and leaving the entire lip, or web muscle on the brisket.

(10) *Brisket* means the portion of the cross cut chuck remaining after the severance of the regular chuck and foreshank from the cross cut chuck, which portion contains parts of four ribs (2d to 5th, inclusive), part of the breast bone and the rib (costal) cartilages which connect the ends of the rib bones with the breast bone. All heart (mediastinal) fat, but no other fat shall be removed from the brisket.

(11) *Rib* means the portion of the forequarter remaining after the severance of the cross cut chuck and short plate from the forequarter, and containing parts of seven ribs (6th to 12th, inclusive), that section of the backbone attached to the ribs, posterior tip and cartilage of the blade bone (scapula), part of the blade bone (scapula) which portion shall be obtained (by separation from the short plate) by a straight cut across the ribs starting at a fixed point determined by measuring off 10 inches on the inside of the 12th rib along the 12th rib from the center of the inside protruding edge of the 12th thoracic vertebra and continuing to and through a fixed point determined by measuring off 10 inches on the inside of the 6th rib along the 6th rib from the center of the inside protruding edge of the 6th thoracic vertebra.

NOTE: The 10-inch measurements shall be made from the centers of the protruding edges of the 6th and 12th thoracic vertebrae, and not from the hollow of the chine bone.

(12) *Short plate* means the portion of the forequarter remaining after the severance of the cross cut chuck and the rib from the forequarter, and containing parts of seven ribs (6th to 12th, inclusive), the rib (costal) cartilages attached to them, and part of the breast bone.

(13) *Back* means the portion of the forequarter remaining after severance of the short plate, brisket and foreshank from the forequarter, and containing the rib and regular chuck all in one piece, which portion shall be obtained by one cut made in a straight line starting at a fixed point determined by measuring off 10 inches on the inside of the 12th rib along the 12th rib from the center of the inside protruding edge of the 12th thoracic vertebra, and continuing to a point measured off 10 inches on the inside of the fifth rib along the 5th rib from the center of the inside protruding edge of the 5th thoracic vertebra; and a second cut made in a straight line starting from the termination point of the first cut and continuing through a fixed point at the tip of the forward end of the breast bone, including the cartilage in young cattle or the ossified bone in the older cattle (forward end of the 1st segment of sternum), through the (humerus) arm bone in the same straight line to complete the cut.

NOTE: Measurements shall be made from the center of the protruding edge of the 12th and 5th thoracic vertebrae, and not from the hollow of the chine bone.

(14) *Triangle* (Kosher or trafer) means the portion of the forequarter remaining after the severance of the rib from the forequarter, and containing the short plate, brisket, foreshank and regular chuck all in one piece, which portion shall be obtained by removing the rib from the forequarter by a straight cut across the ribs starting at a fixed point determined by measuring off 10 inches on the inside of the 12th rib along the 12th rib from the center of the inside of the protruding edge of the 12th thoracic vertebra and continuing to a fixed point de-

termined by measuring off 10 inches on the inside of the 6th rib along the 6th rib from the center of the inside protruding edge of the 6th thoracic vertebra, and severing the rib from the forequarter by a second cut made in a straight line between the 5th and 6th ribs, keeping the knife firmly against the 5th rib to the point where the second cut meets the end of the first cut.

NOTE: Measurements shall be from the center of the protruding edge of the 12th and 6th thoracic vertebrae, and not from the hollow of the chine bone.

(15) *Arm chuck* means the portion of the cross cut chuck remaining after the severance of the brisket from the cross cut chuck and containing the regular chuck and foreshank all in one piece.

(16) *Untrimmed loin* means the portion of the hindquarter remaining after the severance of the round.

[Appendix 2 amended by Amdt. 6; subparagraph (16) added by Amdt. 6]

APPENDIX 3—BONELESS BEEF CUT DEFINITIONS

When used in this regulation the term:

(a) *Boneless beef cut* means and is limited to mean any of the following cuts which are derived from utility, cutter, or canner grades of beef.

Preparatory to making any "boneless beef cut", the carcass must be separated into "hindquarters" and "forequarters", as specified in Appendix 2 (a) (2) and (3).

The foreshank shall be removed from the forequarter in the following manner: Insert a knife in the elbow joint and draw along the side of the upper forearm, as closely to the bone as possible, to the knuckle joint at the base of the blade bone. Draw the knife over the knuckle joint in such a manner to throw the shank out of the socket joint. A complete separation shall then be made by severing the remaining connective tissue and muscle.

Boneless beef cuts from the hindquarter shall be prepared as follows: The hanging tender shall be removed from the hindquarter as prescribed in Appendix 2 (a) (5). The round is separated from the loin by sawing behind and parallel to the aitch pelvic bone, leaving a small piece of the middle portion of the aitch bone on the round. This cut shall continue in a straight line through the bottom portion of the sirloin and the flank muscle at the proper angle to produce a full knuckle.

The flank shall be removed from the full loin as prescribed in Appendix 2 (a) (6).

The rough rump shall be separated from the loin starting at the center of the fifth sacral vertebra sawing through the knuckle bone, approximately one and one-half inches from the large exposed end of the aitch bone.

(1) *Boneless beef inside (top round), outside (bottom round), and knuckle (face)* shall be prepared in the following manner:

The "knuckle" shall be separated from the outside at the natural muscle seams between the knuckle and the outside, on the one side, and from the inside muscles on the other side, leaving one and one-half inches of the wedge-shaped piece of meat from the overlapping inside muscle attached to the knuckle. The knuckle shall be completely "faced"; removing all connective tissue, fat, and outside covering tissue, including the wedge-shaped strip of lean meat left on the knuckle when separating from the beef inside. The patella (knee-cap bone) and all cartilage or connecting tissue shall be removed. It shall be free from bruises and blood clots.

The "inside" and "outside" shall be separated by a cut starting at the termination of the gambrel cord separating the shank end portion equally between the inside and outside muscles and continuing the cut in a straight line to a point on the rump end which is just barely on the outside of the large muscle seam visible at this end. All fat on the skin surface shall be trimmed

down to one-eighth inch in thickness. The crotch fat on the inside shall be trimmed down to the connective tissue (fel). The gracilis sinew below the crotch shall be completely removed. The popliteal gland and the fat on the cut surface on both the inside and outside muscles are to be removed and trimmed smooth. The inside shank muscle and the heavy sinew ends of the gambrel cord shall be removed from the inside. The shank muscle imbedded in the shank portion of the outside shall not be removed.

(2) *Boneless beef shoulder clod* shall be prepared in accordance with the same specifications as fabricated "shoulder clod", defined in Appendix 4 (a) (17), and shall be removed in the same manner as prescribed in that paragraph.

The brisket, rib, and short plate are removed in the manner prescribed in Appendix 2 (a) (12), (13) and (14).

(3) *Boneless beef strip* means that part of the strip loin remaining after all the bones have been removed. The strip loin shall be separated from the sirloin in the manner prescribed in Appendix 4 (a) (9). The boneless strip shall be entirely free from bruises, blood clots, and mutilations. The wing (flank side) shall be removed from the strip by a cut running parallel to the chine bone edge starting one and one-half inches beyond the eye of the strip at the rib end. All loose pieces shall be removed.

(4) *Boneless beef sirloin butt* means the boneless meat remaining after removal of all bone from the sirloin. All rough, ragged edges, and semi-loose pieces shall be removed. It shall be free from blood clots and bruises.

(5) *Boneless beef regular roll (rib eye)* means the rib eye muscles with no fat or bones included, free from bruises and blood clots and with the back strap removed. The rib cover shall be removed in such a manner that the wedge-shaped piece of lean meat that lies along the eye of the rib is left attached to the roll.

(6) *Boneless beef tenderloin* shall be removed from the loin in the manner prescribed in Appendix 4 (a) (11), and the same specifications for trimming the tenderloin, as outlined in that paragraph, shall apply.

(7) *Boneless beef flank steak* means the flat oval-shaped lean muscle embedded in the cod or udder end of the flank which shall be obtained by loosening the narrow end of the steak piece at the cod or udder end of the flank, cutting through the membrane along both sides of the steak, then pulling and cutting the steak loose and severing it from the fibrous membrane which lies directly under and to which it is attached. None of the fibrous membrane shall be left on the steak. All fat shall be trimmed from the steak, but the thin membrane on the top surface of the steak shall not be removed.

(8) *Boneless beef chuck (clod out)* means the boneless meat remaining after the clod, back strap and all bones have been removed from the regular chuck in the manner prescribed in Appendix 4 (a) (15) and (16). It shall be free from all cartilage, blood clots and bruises.

(9) *Boneless beef rump* means that part of the rough rump remaining after all of the bones (including the tail bones) have been removed. All the meat and fat on the inside of the rump bone shall be completely removed by running a knife along the edge of the bone beginning at the knuckle bone side and following closely the surface of the bone to the opposite side of the rump. All loose pieces of meat shall be trimmed smooth and it shall be free from bruises, blood clots and bone splinters.

(10) *Boneless beef round* means that portion of the round remaining after the rump and shank and all bones have been removed. The cod or udder fat shall be trimmed so that it will not exceed one-quarter inch in thickness and all ragged pieces of meat and other fat in excess of one-

quarter inch shall be removed. It shall be free from visible bruises and blood clots.

[Subparagraph (10) amended by Amdt. 2]

(11) *Ground beef* means ground beef as defined in Appendix 4 (a) (33).

(12) *Ground beef in casings* means ground beef in casings as defined in Appendix 4 (a) (34).

(13) *Ground beef patties* means ground beef patties as defined in Appendix 4 (a) (35).

(14) *Boneless stewing beef* means meat prepared from skeletal meat of beef carcasses of any grade except the tenderloin, and kidneys shall not be used. All serous membranes shall be stripped from the flanks, skirts, and short plates. All meat shall be free from bones, cartilage and tendons. Trimmable fat shall not exceed 10 percent. The meat shall be cut into pieces approximately one inch in size and may be formed into loaves (wrapped or plain) of any size from one pound up (quick-frozen or fresh).

The meat shall be packed in a solid fibre, corrugated, or other container. All meat shall be in prime condition at the time of delivery at destination.

(15) *Trimnings* means any pieces of meat derived from the beef carcass in connection with the production of wholesale cuts, fabricated cuts or boneless beef, and which does not include in excess of 25 percent trimmable fat. Trimnings are to be free from bones, splinters, gristle, blood clots and bruises.

(16) *Sterilized trimnings* means trimnings which have been passed for sterilization in accordance with the Meat Inspection Division Regulations issued by the U. S. Department of Agriculture.

(17) *Boneless beef shank (shank meat)* means the shank removed as specified in Appendix 4 (a) (1) with all bones removed. It shall be free from visible bruises and blood clots.

[Subparagraph (17) added by Amdt. 2]

(18) *Tenderloins (military specifications)* means tenderloins trimmed according to military specifications, weighing not less than 4 pounds, packaged in 50 pound V 3 S boxes or in 50 to 100 pound wirebound or solid fibre boxes. They shall be packaged in the presence of an official inspector designated by the U. S. Army or Navy or other U. S. Government Agency.

[Subparagraph (18) added by Amdt. 3]

(19) *Lean ground beef* means lean ground beef as defined in Appendix 4 (a) (38).

[Subparagraph (19) added by Amdt. 4]

(20) *Lean ground beef in casings* means lean ground beef as defined in Appendix 4 (a) (38) stuffed in natural or artificial casings, the total weight of each piece not to exceed 15 pounds.

[Subparagraph (20) added by Amdt. 6]

(21) *Lean ground beef patties* means lean ground beef patties as defined in Appendix 4 (a) (39).

[Subparagraph (21) added by Amdt. 4; redesignated by Amdt. 6]

(22) *Outsides*: See Appendix 3 (a) (1) for applicable definition.

[Subparagraph (22) added by Amdt. 6]

(23) *Skirt steaks* means the elongated diaphragm meat attached to the inside of the short plate with the outer tissue or membrane removed.

[Subparagraph (23) added by Amdt. 6]

APPENDIX 4.—FABRICATED BEEF CUT DEFINITIONS

When used in this regulation the term:

(a) *Fabricated beef cut* means any of the following cuts, meeting the following minimum specifications, and derived from

specified beef wholesale cuts, as provided for in Appendix 2. All cuts shall be made according to the specifications provided herein.

(1) *Round (rump and shank off)*. Round (rump and shank off), means that part of a round remaining after the shank and rough rump have been removed.

The shank shall be removed by a cut starting at the bottom end of the gambrel cord, following the natural muscle seam to the stifle (knee) joint, passing through the bones of the joint severing the shank from the round. The rough rump shall be removed by a straight cut starting at a point on the outside or skin surface of the round, so as to meet the top part of the aitch bone, then following the curvature of the aitch bone to the protuberance of the femur bone (round bone) leaving no part of the aitch bone in the round. The rump shall then be separated from the round by sawing through the ball of the femur bone (round bone). All cod or udder fat shall be removed from the round, rump and shank off.

(2) *Boneless rump (butt)*. The boneless rump means that part of the rough rump remaining after all of the bones (including the tail bones) have been removed. Ragged pieces of meat and fat in excess of one inch on the top or outside skin surface shall be removed.

(3) *Hind shank*. Hind shank means the hind shank of the beef with lean meat attached. It shall be removed from the round as described in Appendix 4 (a) (1).

(4) *Boneless round (rump on)*. Boneless round means that part of the round remaining after all bones (including tail bones) and shank have been removed. The shank shall be removed as described in Appendix 4 (a) (1). The ragged pieces of meat, all cod or udder fat, and other fat in excess of one inch shall be removed.

(5), (6) and (7) *Inside (top round), outside (bottom round) and knuckle (face)*. Inside (top round), outside (bottom round) and knuckle (face) means the three natural muscle pieces into which the round is separated after the rough rump, shank, and femur bone (round bone) have been removed. The shank and rough rump shall be removed as described in Appendix 4 (a) (1). The knuckle shall be separated by cutting through the natural muscle seams between the knuckle and outside muscles on the one side, and the knuckle and the inside muscles on the other side leaving one and one-half inches of the wedge-shaped pieces of meat from the overlapping inside muscle attached to the knuckle. The patella (knee cap bone) and all cartilage or connecting tissue shall be removed.

The inside and outside pieces shall be separated by a cut starting at the termination of the gambrel cord separating the shank and portion equally between the inside and outside, and continuing the cut in a straight line to a point on the rump and which is just barely on the outside edge of the large muscle seam that is visible at this end.

The gland which lies in the center between the inside and outside muscles shall be cut through so as to leave a portion of this gland in both muscles.

The cod or udder fat and all other fat in excess of one inch shall be removed.

(8) *Gooseneck boneless round*. Gooseneck boneless round means the outside muscle and boneless rump attached. It shall be made by separating the outside muscle with boneless rump attached from the knuckle and inside muscles by the method described in Appendix 4 (a) (5), (6), and (7). All fat in excess of one inch on the top of outside skin surface of the rump shall be removed.

(9) *Strip loin (bone in)*. The strip loin means that part of the full loin, after the full tenderloin, sirloin, protruding edge of the chine bone, and the flank edge of the short loin have been removed, or that part remaining of a short loin after the short

tenderloin, protruding edge of chine bone and the flank edge of the short loin have been removed. The strip loin shall be cut from the stripped full loin in a straight line perpendicular to the outside or skin surface of the loin from a point which is the juncture of the 5th and 6th lumbar vertebrae and continuing in the same straight line through a point flush against the end of the hip (pin) bone, but leaving no part of the hip (pin) bone in the strip loin.

The protruding edge of the chine bone shall be removed by sawing through the lower extremity of the spinal cord groove when the loin is lying with the flesh side down. The flank edge of the strip loin shall be cut off in a straight line from the sawed end of the 13th rib, which is 10 inches from the center of the protruding edge of the 13th thoracic vertebra and continuing in a straight line with full length of the strip loin parallel to the chine bone and perpendicular to the outside skin surface of the strip loin. Rough fat on the inside of the strip loin shall be trimmed smooth and all fat in excess of one inch on the outside skin surface shall be removed.

(10) *Strip loin (boneless)*. Strip loin (boneless) means that part of a strip loin remaining after all bones have been removed. All fat in excess of one inch on the outside skin surface shall be removed.

(11) *Beef tenderloin*. Beef tenderloin means the tenderloin muscle with the attached side strip muscle lying inside of the full loin. The tenderloin shall be removed from the full loin by cutting along the inside of the chine bone following the conformation of this bone from the tip of the loin or at the point where the 13th rib joins the 13th thoracic vertebra at the end of the chine bone or at a point adjacent to the 5th sacral vertebra and by a cut at the butt end of the tenderloin which shall be made along the hip bone following the natural seam (or blue seam) in the sirloin end of the loin. Full beef tenderloin shall be devoid of any head muscle and all the excess fat shall be removed from the back of the tenderloin so as to expose the gland which lies about 6 inches forward from the butt end of the tenderloin. All the fat lying beyond the exposed gland shall be tapered down to a point that in no case shall extend beyond three-quarters of the length of the entire tenderloin.

Beef tenderloin also means the trimmed sirloin tenderloin which is that portion of the tenderloin muscle removed from the sirloin. It shall be devoid of any head muscle and all excess fat shall be removed from the back of the sirloin tenderloin so as to expose the gland as described herein. Beef tenderloin also includes the trimmed tip tenderloin which is the portion of the tenderloin muscle removed from a short loin. The fat on the back of the tenderloin shall be tapered down as described herein and at no point shall exceed one-half inch. All fat from the lower half shall be removed.

(12) *Boneless sirloin (butt)*. Boneless sirloin means that part of a sirloin after all the bone and the sirloin tenderloin have been removed. All flank meat and the fat from the flank side of the boneless sirloin shall be removed. All fat in excess of one inch on the outside skin surface shall be removed.

(13) *Top sirloin (butt)*. Top sirloin means that part of the boneless sirloin, which is the top lean muscle that covered the hip bone (ilium) from the chine bone side of the sirloin to the natural seam (or blue seam) which separates the bottom lean muscle from the top lean muscle.

The top sirloin shall be separated from the bottom sirloin by cutting through the natural muscle seam (or blue tissue) and continuing through the meat with the knife held at a 45 degree angle to the cutting surface of the block. All fat in excess of one inch on the outside skin surface shall be removed.

(14) *Bottom sirloin (butt)*. Bottom sirloin means that part of the boneless sirloin remaining after the removal of the top sirloin. All flank meat and the fat from the flank side of the bottom sirloin shall be removed. All fat in excess of one inch on the outside skin surface shall be removed.

(15) *Boneless chuck*. Boneless chuck means that part of the chuck remaining after all bones and the back strap have been removed. Boneless chuck shall be made only from regular chucks (square cut).

No trimming of boneless chuck is required and the intercostal meat may be left attached.

(16) *Boneless chuck (shoulder clod out)*. Boneless chuck, shoulder clod out, shall be same as the boneless chuck described in (15) except that the shoulder clod shall be removed.

(17) *Shoulder clod*. Shoulder clod means the thick meaty portion of the regular chuck lying above the blade and rib bones.

It shall be separated from the chuck by a first cut starting at the knuckle joint and continuing in the same line along the ridge of the blade bone through to the chine bone, and by a second cut starting from the extreme corner of the brisket end of the 5th rib following the first natural muscle seam above the rib bones to a point about midway between the knuckle bone and the end of the 5th rib, then upward to the second natural muscle seam above the rib bones and following this natural muscle seam to the knuckle end of the clod. Pull knuckle end of clod upward, separating in the natural muscle seam at the blade bone, then cut along edge of blade bone to enable clod to be pulled loose from the chuck.

(18) *Boneless brisket (deckle off)*. Boneless brisket (deckle off) means that part of the green brisket remaining after all the bones, intercostal meat and deckle have been removed. The deckle means the layer of fat, meat and tissues lying between the rib bones, the rib (costal) cartilages, the breast (sternum) bone and the lean principal muscle of the brisket. The deckle shall be removed at the natural seam leaving the thick layer of fat attached to the deckle and exposing the lean meat surface lying directly below. This lean surface shall be free of all fat except minute flakes of fat that adhere closely to the lean after the deckle has been removed. The hard fat along the sternum edge (the area on the bone side of the brisket which is adjacent to and directly under the sternum bone) of the boneless brisket shall be trimmed level with the boned surface of the brisket and to within $\frac{1}{2}$ inch of the lean lying between this hard fat and the border of skin surface fat. All ragged pieces of meat from both bone and skin side of the boneless (deckle off) brisket and all fat in excess of one inch on the outside skin surface, including the breast curve, shall be removed. The web muscle (full lip) shall be left attached with the thin tissue edge, trimmed to expose the narrow portion of lean meat.

(19) *Oven-prepared rib*. Oven-prepared rib means that part of the regular seven-bone rib remaining after the chine bone and short ribs have been removed.

The chine bone, or bodies of the thoracic vertebrae, shall be entirely removed by cutting to the point at which they join the feather bones, exposing the lean meat, but leaving the feather bones attached to the rib cut. The short ribs shall be removed by cutting in a straight line perpendicular to the outside skin surface of the rib from a point measured 8 inches along the 12th rib from the protruding edge of the 12th thoracic vertebra to a point measured eight inches along the 6th rib from the protruding edge of the 6th thoracic vertebra (chine bone). All the blade bone, including the cartilage shall be removed.

(20) *Short ribs*. Short ribs means the portion of the rib cut off in fabricating oven

prepared ribs, as described in this appendix 4 (a) (19) and shall include the rib sections of the 6th, 7th, 8th, and 9th ribs.

Plate short ribs means stripped pieces cut from the short plate up to and not beyond the point where the ribs join the costal cartilages (rib cartilages).

[Subparagraph (20) amended by Amdt. 6]

(21) *Rib—boned, rolled and tied*. Rib, boned, rolled and tied means that part of the regular 7-rib cut remaining after all bones, including the blade bone and cartilage, have been removed. The intercostal meat shall be removed.

Rib, boned, rolled and tied shall be rolled into a cylindrical shape and tied with at least five loops of string. Ragged pieces on the ends shall be trimmed off.

(22) *Short loin* means that portion of the trimmed full loin remaining after the severance of the sirloin (loin end) from the trimmed full loin, which shall be obtained by a cut perpendicular to the contour of the outside or skin surface of the trimmed full loin begun at a point which is the juncture on the chine bone of the 5th and 6th lumbar vertebrae and continuing in a straight line perpendicular to the contour of the outside or skin surface of the trimmed full loin to and through a point flush against the end of the hip (pin) bone, but leaving no part of the hip (pin) bone in the short loin. The backbone of the short loin shall include five (5) lumbar vertebrae, one and one-half ($1\frac{1}{2}$) thoracic vertebrae and part of the 13th rib.

[Subparagraph (22) amended by Amdt. 6]

(23) *Sirloin (loin end)* means the thick portion of the trimmed full loin remaining after the severance of the short loin from the trimmed full loin. The backbone of the sirloin shall include one (1) lumbar vertebra, five (5) sacral vertebrae (the tip or rear corner of the fifth (5th) sacral vertebra shall have been sawed off in separating the round from the trimmed full loin and flank), and the entire hip bone (ilium).

[Subparagraph (23) amended by Amdt. 6]

(24) *Boneless short plate*. Boneless short plate means that part of the short plate remaining after the skirt and all bones have been removed. The fell shall be stripped from the flank side of the plate. All fat exceeding $\frac{1}{2}$ inch shall be removed.

(25) *Cube steak*. Cube steaks mean any lean muscle meat (not containing an outer surface of fat in excess of one-quarter of an inch) derived from the boneless sirloin or boneless round of prime, choice, good or commercial grade of beef, cut into steaks of uniform size, tenderized in accordance with normal business practice. Cube steaks can be made either by hand or by machine.

(26) *Flank steak*. Flank steak means the flat, oval-shaped lean muscle of meat embedded in the cod or udder end of the flank which shall be obtained by loosening the narrow end of the steak piece at the cod or udder end of the flank, cutting through the membrane along both sides of the steak, then pulling and cutting the steak loose and severing it from the thick membrane which lies directly under and to which it is attached. None of the thick membrane shall be left on the steak. All fat shall be trimmed from the steak, but the thin membrane on the top surface of the steak shall not be removed.

(27) *Club steaks (bone in)*. Club steaks mean steaks cut from that portion of a short loin or strip loin extending from a point opposite the juncture of the first and second lumbar vertebrae to the forward (anterior) end of the short or strip loin.

The cutting of steaks and the trimming of the flank shall be made as described in this Appendix 4 (a) (29).

No further trimming of the flank or removal of chine bone shall be required on club steaks made from strip loins.

The chine bone on club steaks made from short loins shall be removed by chopping or sawing through the inner extremity of the spinal cord groove.

Only complete club steaks shall be made and all fat in excess of one inch on outside skin surface shall be removed.

(28) *Porterhouse steaks (bone in)*. Porterhouse steak means steak cut from that portion of a short loin extending from a point opposite the center of the fourth lumbar vertebra to the end of the short loin at the point of severance from the sirloin.

The flank shall be removed at a point measured four inches downward from the lower end of the eye muscle. All fat in excess of one inch on the inside or outside skin surface shall be removed.

(29) *T-Bone steaks (bone in)*. T-bone steak means steak cut from that portion of a short loin extending from a point opposite the center of the fourth lumbar vertebra to a point opposite the juncture of the first and second lumbar vertebra. T-bone steaks shall be trimmed as described in this Appendix 4 (a) (28).

(30) *Boneless strip steak*. Boneless strip steaks mean steaks cut from a boneless strip loin. All fat in excess of one inch shall be removed from the outside skin surface.

(31) *Boneless sirloin steaks*. Boneless sirloin steaks mean steaks cut from a boneless sirloin, which has been trimmed as described in this Appendix 4 (a) (13). Only complete steaks shall be made.

(32) *Top sirloin steaks*. Top sirloin steaks mean steaks cut from a top sirloin which has been trimmed as described in this Appendix 4 (a) (4). Only complete steaks shall be made.

(33) *"Ground beef"*: bulk (hamburger, hamburger steak, hamburger steak, chili meat), means ground, chopped, or comminuted fresh beef derived from the skeletal portion of the dressed carcass (but not including headmeat) which contains no offal, added blood, cartilage, bone, cereal product, water or ice, or any adulterant or other foreign substance except seasoning, and which does not have a fat content in excess of 25% by chemical analysis. "Ground beef" shall be ground twice, the final grinding through a plate with holes not more than $\frac{3}{16}$ of an inch in diameter or $\frac{3}{8}$ of an inch in the case of chili meat, or chopped in a rotary cutter or by other means giving equivalent results.

[Subparagraph (33) amended by Amdt. 4]

(34) *Ground beef in casings*. Ground beef in casings means ground beef stuffed in natural or artificial casings and the total weight of each piece shall not exceed 15 pounds.

(35) *Ground beef patties*. Ground beef patties means ground beef which has been formed into portions of uniform size and thickness, each of which shall not weigh more than four ounces. They may be formed by hand or machine.

(36) *Ground boneless chuck*. Ground boneless chuck means ground, chopped or comminuted fresh beef derived from boneless beef chuck (shoulder clod out), (as defined in this Appendix 4 (a) (15)) of prime, choice, good, commercial or utility grade. It shall be entirely free from bone splinters, cartilage, tendons, and coarse fibrous membranes. It shall contain no added blood, water, or ice, or any adulterations or other foreign substances, except seasoning, and the fat content shall not be in excess of 22 per cent by chemical analysis. The meat shall be ground twice, the final grinding through a plate with holes not more than $\frac{3}{16}$ of an inch in diameter, or $\frac{3}{8}$ of an inch in the case of chili meat. In lieu of grinding the meat may be chopped in a rotary cutter or by other means giving equivalent results. The meat may be formed into loaves and packed in suitable solid fibre, corrugated or other containers; or it may be prepared in bulk containers, wax paper lined. The

meat shall be quick-frozen immediately after preparation and shall be in prime condition at the time of delivery at destination. Each container shall be inspected by an inspector of the Meat Grading Service of the U. S. Department of Agriculture.

[Subparagraph (36) amended by Amdt. 6]

(37) *Stewing beef*. Stewing beef means boneless stewing beef as defined in Appendix 3 (a) (14).

(38) *Lean ground beef* (hamburger, hamburger steak, hamburger steak) means ground, chopped, or comminuted fresh beef only derived from the skeletal portion of the dressed carcass (but not including head meat) which contains no offal, added blood, cartilage, bone, cereal product, water or ice, or any adulterant or other foreign substance except seasoning, and which does not have a fat content in excess of 12 percent by chemical analysis. "Lean ground beef" shall be ground twice, the final grinding through a plate with holes not more than $\frac{3}{16}$ of an inch in diameter, or chopped in a rotary cutter or by other means giving equivalent results.

[Subparagraph (38) added by Amdt. 4]

(39) *Lean ground beef patties* means lean ground beef which has been formed in portions of uniform size and thickness, each of which shall not weigh more than four ounces. They may be formed by hand or machine.

[Subparagraph (39) added by Amdt. 4]

APPENDIX 5.—BONELESS BEEF (MILITARY SPECIFICATIONS) DEFINITIONS

When used in this regulation, the term:

(a) *Frozen boneless beef (4-way military specifications)* means beef, frozen and boneless, derived from steers or heifers of choice and good grades and satisfying the specifications and requirements contained in "Military Specification, Beef, boneless, Frozen (4-way)" (MIL-B-10017 (QMC)). Any frozen boneless beef which has been rejected by the purchasing agency of a defense procurement agency shall not be sold as "frozen boneless beef (military specifications)."

The seller shall place a sticker or stencil on the container, certifying the appropriate grade of the product contained therein. By placing an official U. S. inspection stamp on the container, the official inspector shall attest the accuracy of the seller's certification.

(b) *Beef, processing (military specifications, JAN-B-617 and JAN-B-723)* means beef derived from the grades and classes, and satisfying specifications and requirements of the Joint Army-Navy specifications entitled "Beef, Processing" (JAN-B-617 and JAN-B-723). No boneless beef shall be packed as "Beef, Processing (Military Specifications)", except in the presence of an official inspector designated by the U. S. Army or Navy or other U. S. Government Agency.

The seller shall place a sticker or stencil on the container, certifying the appropriate grade of the product contained therein. By placing an official U. S. inspection stamp on the container, the official inspector shall attest the accuracy of the seller's certification.

[Paragraph (b) amended by Amdt. 6]

APPENDIX 6.—BEEF VARIETY MEATS AND BY-PRODUCTS DEFINITIONS

(a) When used in this regulation the term *beef variety meat or by-product* means any of the following edible by-products of cattle which is clean, sound, has at all times been handled in a sanitary manner, and is free from foreign material, mucus and hair. Referring to variety meats and edible by-products derived from livestock slaughter the term:

1. *Brains* means both brain lobes, the small knob at the base of the brain and a short piece of spinal cord approximately three quarters of an inch in length.

2. *Cheek meat* of cattle means the lean muscle on the inside and outside of the lower jaw, trimmed free of the salivary glands, with no more than 20 percent trimmable fat.

3. *Hanging tender* means the cylindrical shaped piece of lean meat attached at one end under the kidney knob in the open (left) side of the hind quarter. It shall be removed from the open side of the loin by being severed at a point opposite the junction of the first and second lumbar vertebrae.

4. *Head meat* means the lean meat, exclusive of cheek meat, trimmed from the head of cattle.

5. *Hearts* means bright colored beef hearts, free from blood clots, trimmed free from large gristly blood vessels.

6. *Kidneys* means kidneys free from spots and reasonably free from fat. They shall be removed by first loosening the suet from the outside surface of the kidney and then cutting off the vein, leaving sufficient fat in the vein so that the fat will be flush with the surface of the kidney.

7. *Lips* means the meat and tissue from the side of the jaw when removed from cattle.

8. *Lips, scalded* means lips thoroughly cleaned by washing and scalding according to B. A. I. instructions—or similar good commercial methods.

9. *Livers* means all beef livers of any weight, bright and uniform in color, from light to chocolate brown, moderately short and plump and which are free from all mutilations other than minor cuts or slight skin breaks caused by the removal of the gall bladder by separating the liver from the carcass by hooks, or caused during the examination of the portal glands by MID inspectors, where such minor cuts or slight skin breaks do not impair the quality of the liver. The large blood vessel lying along the side of the liver should be trimmed even with the surface of the liver.

10. *Lungs* means the lungs from cattle. The trachea (windpipe) is to be cut off close to the body of the lungs.

11. *Melts* means the spleens.

12. *Sweetbreads, heart* means the thymus gland adjacent to the heart (heart sweetbreads). They are to be trimmed reasonably free from fat.

13. *Sweetbreads, neck* means the thymus gland (neck sweetbreads) removed from the neck only of beef cattle. They are to be trimmed reasonably free from fat.

14. *Tails* means tails of cattle. Ragged edges of tissue, loose fat and the last two joints of the tip end are to be removed.

15. *Tongues* means tongues from cattle, cut off at a point that leaves the epiglottis on the tongue. The entire gullet including the soft palate shall be removed and the hinge bone shall not protrude over the end of the tongue. One-half inch of fat may be left on the underside of the tongue, which shall be trimmed smooth in removing the glands. The tip may be cut up to a point where cross section thickness does not exceed one and one-half inches.

Tongues are divided into the following classifications:

(i) Type No. 1 tongue means a tongue weighing not less than three pounds, of firm consistency without yellow fat or black skin, having no surface bruise or blood clot and no hair sore cut larger than one inch, or, if it has such hair sore cut, has no side knife cuts.

(ii) Type No. 2 tongue means a tongue weighing not less than three pounds, of firm consistency without yellow fat, having

no surface bruise or blood clot, but not otherwise meeting the definition of Tongue (Type No. 1).

(iii) Type No. 3 tongue means any beef tongue not qualifying as a Type No. 1 or a Type No. 2 tongue.

[Subparagraph (15) amended by Amdt. 3]

16. *Tripe, cooked* means tripe which has been thoroughly cooked by boiling in water, cooled and washed; any excess fat is to be removed from tripe.

17. *Tripe, honeycomb* means cooked beef tripe showing the characteristics of honeycomb markings. If the pocket is split, the apron around the open end cannot be more than three inches wide.

18. *Tripe, scalded* means paunches (stomachs) thoroughly cleaned by washing and scalding according to B. A. I. instructions or similar good commercial methods.

19. *Udders* means the severed mammary glands from cows, and shall be carefully drained by slicing according to good commercial practice.

APPENDIX 7.—OTHER BEEF PRODUCT DEFINITIONS

When used in this regulation the term:

(a) *Boneless processing beef* is limited to those items listed in section 23 and means the skeletal portion of carcasses or wholesale cuts of utility, cutter or canner grade, with all bones, cartilage and back strap removed. It shall be free from blood clots and bruises.

(b) *Prefabricated quick frozen and packaged retail beef cuts* means beef steaks, roasts and ground beef derived from beef carcasses or wholesale cuts of prime, choice, good, commercial, or utility grade, which are separately wrapped in transparent, moisture proof paper, thoroughly frozen at quick freezing temperatures and have clearly visible a tag or other marking showing the name of the cut, the net weight of the meat contained in the package and, except for ground beef, the grade of beef.

[Paragraph (b) amended by Amdt. 2]

(c) *Kosher beef wholesale cut* means any beef wholesale cut derived from cattle or calves slaughtered, approved and stamped as kosher under rabbinical supervision, and sold under rabbinical supervision.

(d) *Prefabricated retail cut* means a retail beef cut as defined in Ceiling Price Regulation 25. The grade mark shall not be removed except when such removal cannot be avoided in preparing the cut in accordance with the specifications provided for such cut in Ceiling Price Regulation 25.

[Paragraph (d) added by Amdt. 2]

(e) *Specialty steak product* means a beef product which

(1) Differs substantially from a beef product for which a ceiling price is provided by this regulation;

(2) Was sold in 1950 by retailers as a specialty item at a substantially higher price per pound than the most similar beef cut for which a ceiling price is provided in Ceiling Price Regulation 25, or was sold to purveyors of meals in 1950 as a specialty item at a substantially higher price per pound than the most similar beef product for which a ceiling price is provided in Ceiling Price Regulation 24;

(3) Is contained in a distinctive wrapping or package bearing the weight of the cut, a list of the ingredients, the grade of the beef contained therein, and the name of the processor; and

(4) Requires a substantial investment for the equipment used to process and wrap or package the item.

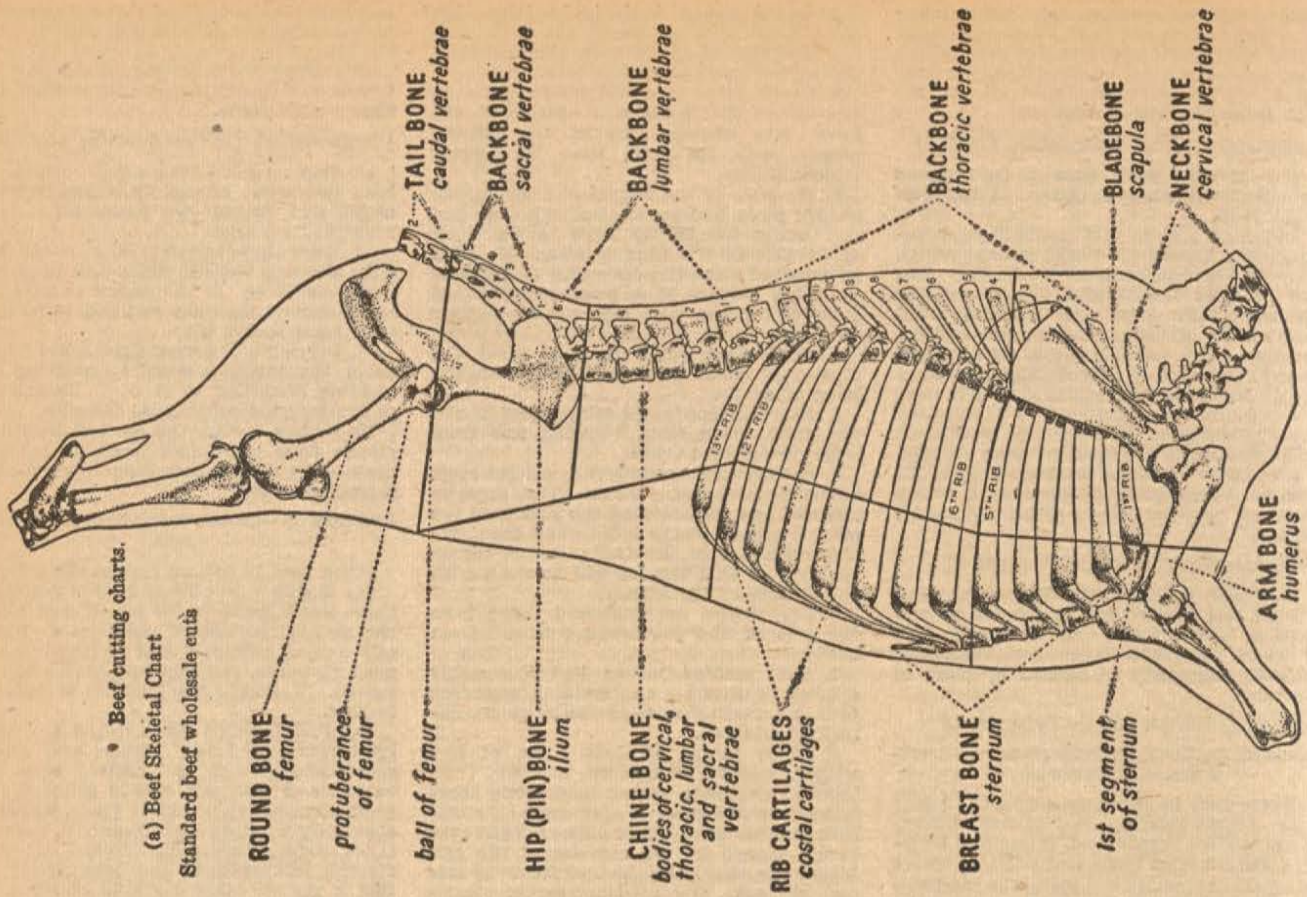
[Paragraph (e) added by Amdt. 4]

APPENDIX 8—BEEF CUTTING CHARTS

• Beef cutting charts.

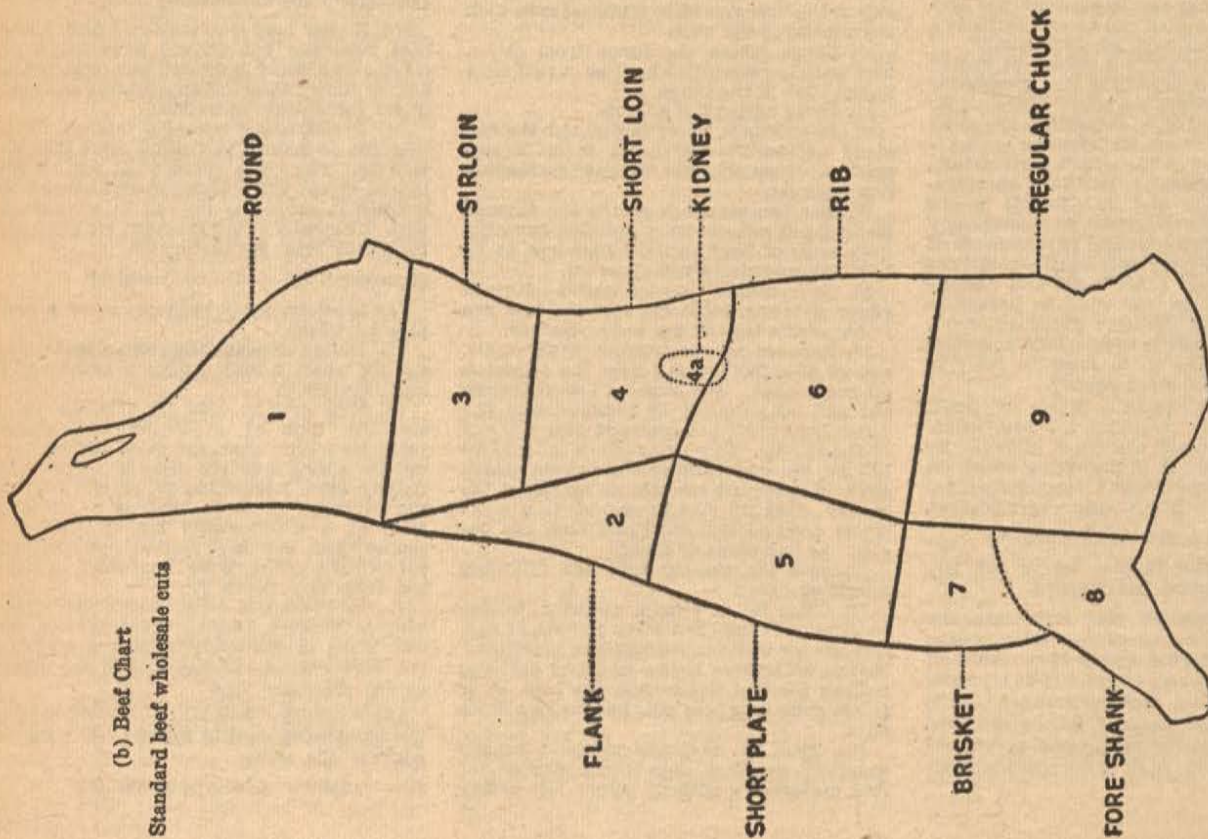
(a) Beef Skeletal Chart

Standard beef wholesale cuts



(b) Beef Chart

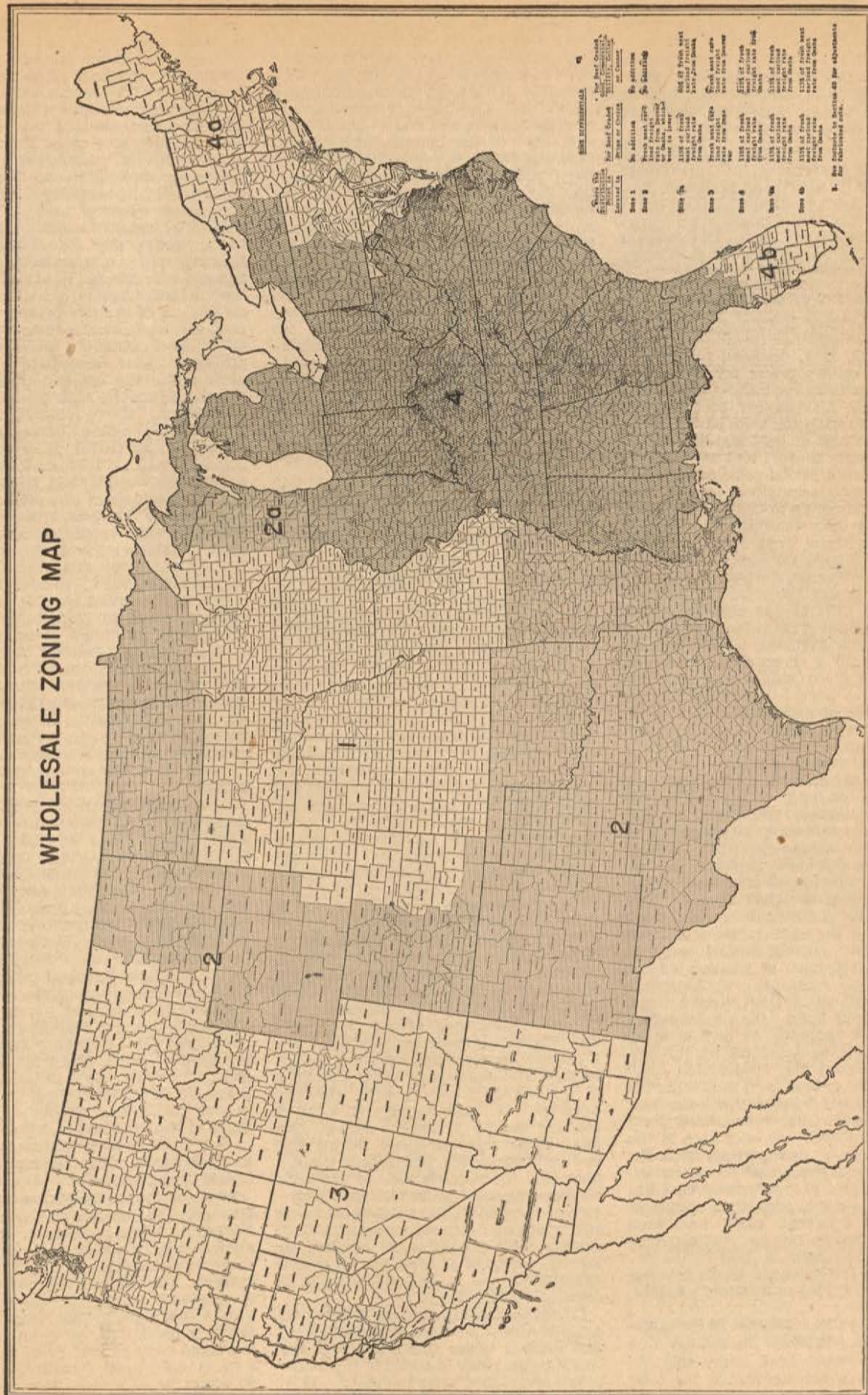
Standard beef wholesale cuts



COMBINATION PRIMAL CUTS

- 2, 4..... TRIMMED FULL LOIN
- 7, 8, 9..... CROSS CUT CHUCK (KOSHER OR TRAEFER)
- 4, 9..... BACK
- 5, 7, 8, 9..... TRIANGLE (KOSHER OR TRAEFER)
- 8, 9..... ARM CHUCK

APPENDIX 9—WHOLESALE ZONING MAP



[F. R. Doc. 51-14090; Filed, Nov. 21, 1951; 12:24 p. m.]

[General Ceiling Price Regulation, Revised Supplementary Regulation 34]

GCPR, SR 34—ADJUSTMENT OF CEILING PRICES OF MANUFACTURERS AND DISTRIBUTORS OF FRESH AND SEMI-DRY SAUSAGE MADE IN WHOLE OR IN PART FROM BEEF OR STUFFED IN SHEEP CASINGS

Pursuant to the Defense Production Act of 1950, as amended, Executive Order 10161 (15 F. R. 6105), and Economic Stabilization Agency General Order No. 2 (16 F. R. 738), this Revised Supplementary Regulation No. 34 to the General Ceiling Price Regulation (16 F. R. 809) is hereby issued.

STATEMENT OF CONSIDERATIONS

Supplementary Regulation 34 to the General Ceiling Price Regulation, issued on June 12, 1951, provided for adjustments in ceiling prices for fresh and semi-dry sausage containing beef. The adjustments allowed for beef sausage under that regulation were based on the increase in cost of beef ingredients between January 20, 1951 and the most recent four week period prior to the issuance of that regulation. Since that time, Amendment 6 to Ceiling Price Regulation 24 has established increased prices for these beef raw materials. There have been no compensating decreases in other costs of producing beef sausage. Hence the effect of Amendment 6 to CPR 24 has been to unduly narrow margins of manufacturers of beef sausage. Furthermore, it now appears that the cost of sheep casing in which sausage is often stuffed has also increased and tended to further narrow the margins of manufacturers of such sausage. To eliminate the price squeeze upon manufacturers of fresh and semi-dry sausage resulting from higher beef and sheep casing costs this revised supplementary regulation supersedes the old Supplementary Regulation 34 and permits the following adjustments in those manufacturers' ceiling prices: (1) Dollars and cents increases in ceiling prices of fresh and semi-dry sausage containing beef to reflect increased beef costs, and (2) specified dollars and cents increases in the ceiling prices of fresh and semi-dry sausage stuffed in sheep casings, irrespective of whether or not such sausage contains beef, to reflect the increased cost of such sheep casings.

I. The basis upon which a manufacturer's price increase for beef is to be determined is, as under SR 34, the difference between his "base period cost" for the items of beef used in making his sausage and his "current cost" for such items of beef. The "base period cost" and "current cost" are calculated in the same manner as under SR 34 with the exception that the period for determining the normal proportions of beef derived from various sources of supply in calculating "current cost" has been changed from the last four full calendar weeks prior to June 12, 1951 to the period of two full calendar weeks between September 24, 1951 and October 6, 1951, inclusive.

As was the case under SR 34 the manufacturer may increase his ceiling price due to increased beef costs only on those items which accounted for over

2 percent of the total dollar sales of all fresh and semi-dry sausage containing beef during the last full accounting period immediately preceding the effective date of this revised supplementary regulation. Furthermore, because beef of certain types and grades is seldom if ever used in the manufacture of sausage and experience has shown that the use of such types and grades in computing the current cost of beef to the manufacturer lends itself to evasive techniques, this revised supplementary regulation prohibits the taking or charging, under either this regulation or the old Supplementary Regulation 34, of an adjustment for increased costs of items and grades of beef not listed in Appendix A of this revised regulation. As was the case under the old Supplementary Regulation 34, the beef adjustments allowed by this revised supplementary regulation may, in any event, be made only once, since a further increase in the cost of beef ingredients is prevented by the ceilings established by Ceiling Price Regulation 24, as amended.

II. To eliminate the price squeeze due to the higher cost of sheep casings this revised supplementary regulation provides for dollars and cents increases in the ceiling prices of items of sausage stuffed in such casings, the amount of the increase depending upon the size of the sheep casings used. These dollars and cents increases will in the great majority of cases relieve the sausage manufacturer of any price squeeze due to increased cost of sheep casings. However, there may be a few manufacturers who, during the GCPR base period, used sheep casings which they had purchased at a time when the price for such casings was considerably lower than the then prevailing price. These manufacturers, whose sausage prices during the base period often reflected the lower cost of their ceilings, were caught in a price squeeze when they subsequently had to purchase new sheep casings. Since the dollars and cents increases permitted by this revised regulation are based on the difference between the cost of sheep casings in the GCPR base period and the cost of those casings in the period immediately preceding the effective date of this regulation, these increases would not adequately relieve manufacturers who were thus caught in a squeeze by the GCPR. To take care of such cases, special provision is made for additional adjustments upon application from manufacturers finding themselves in that type of situation. However, such applications may be made only for an item of sausage stuffed in sheep casings, the total dollar sales of which during the last full accounting period immediately preceding the effective date of this regulation amounted to more than 20 percent of the total dollar sales of all items of fresh or semi-dry sausage during that period. This limitation is designed to prevent a flood of applications for minor adjustments and to limit adjustments to cases of real hardship.

III. After determining the dollars and cents increases for beef and sheep casings allowed under this regulation, the beef increases may be added to the GCPR prices established prior to June 12, 1951,

the effective date of the old supplementary regulation. This GCPR price was established as the base price on which beef increases could be taken in order to avoid the use of an unnecessarily complicated formula for determining the allowable increase and to prevent the compounding of a price increase by a person who has established his GCPR price after June 12 on the basis of another commodity or his nearest competitor's prices either of which might have already reflected the price increase allowed under the old Supplementary Regulation 34. A manufacturer, or distributor who does not have and never did have a GCPR price determined for a given item of sausage prior to June 12, 1951 may not use the same formula as others to arrive at an increased ceiling price but must recalculate his ceiling price under the General Ceiling Price Regulation on the same basis as he did originally.

The sheep casing increases may be added to the GCPR price established prior to June 12, 1951, or to the actual ceiling price established subsequent to the effective date of this revised regulation whether that ceiling price has been established under the General Ceiling Price Regulation, the old Supplementary Regulation 34 or this revised supplementary regulation, provided that such ceiling price was not initially established or recalculated pursuant to section 7 of this revised regulation, or under section 4, 6 or 7 of the General Ceiling Price Regulation subsequent to the effective date of this regulation. Since the increase for sheep casings permitted by this revised regulation is the first permitted, there is no substantial danger of compounding increases by allowing the increase to be taken on any of these bases.

If the total increase for both beef and sheep casings amounts to more than one dollar per cwt., over the GCPR price established prior to June 12, 1951, or the actual ceiling price established prior to the effective date of this revised regulation, whichever ceiling price is lower, the increased price may not be charged until an OPS Public Form No. 99 is filed with the Regional Director of Price Stabilization of the local Regional Office. Similarly, no ceiling price, increased by more than one dollar per cwt. pursuant to the old Supplementary Regulation 34, may be charged after December 31, 1951, unless an OPS Public Form No. 99 is first filed with the local Regional Office. Copies of OPS Public Form No. 99 may be obtained in any District or Regional Office of the Office of Price Stabilization, or may be made up by the manufacturer in accordance with the example furnished in Appendix B.

As under the old Supplementary Regulation 34, the dollars and cents increase allowed to the manufacturer is in turn allowed to be passed on by the distributor to prevent reduction of the distributor's margin. The manufacturer who charges an increased ceiling price for an item of sausage pursuant to this revised supplementary regulation, based on either his increased costs of beef or of sheep casings, or both must furnish the persons to whom he sells that item of sausage

with an appropriate notice, set forth in section 10 (b) (1), to the effect that the sausage contains beef or is stuffed in sheep casings, or both, as the case may be, that the price has been increased in accordance with the provisions of this regulation and the amount of the increase. The distributor who receives such notice must in turn relay it to the persons, other than ultimate consumers, to whom he sells that item of sausage. This provides the basis upon which distributors down the line may increase their own ceiling prices. As is the case with manufacturers, the distributor may add an increase due to beef only to his GCPR price established prior to June 12, 1951. If he has no GCPR price established prior to June 12, he may, after receiving a notice of increased price due to beef recalculate his ceiling price under the General Ceiling Price Regulation. An increase due to sheep casings may be added to whatever is his ceiling price subsequent to the effective date of this regulation, provided that such ceiling price was not established or recalculated under section 5, 6 or 7 of the General Ceiling Price Regulation subsequent to the effective date of this regulation. If the increased ceiling price of the manufacturer from whom the item of sausage is purchased is subsequently modified or revoked, notice, in the form of a copy of the modifying or revoking order, must be furnished down the line to all purchasers, other than ultimate consumers, of that item of sausage. These purchasers will adjust their ceiling prices by the dollars and cents amount by which their immediate supplier's price has been adjusted.

A new section 10 sets forth certain general prohibitions. In addition to these general prohibitions, that section specifically prohibits a distributor from taking an increase on any quantities of an item of sausage which he purchased from a manufacturer from whom he has not received a notice of increased price for those items. Section 10 also specifically prohibits the sale of any item of sausage at a price higher than the ceiling price, as adjusted at the time of sale, irrespective of the contract price.

FINDINGS OF THE DIRECTOR OF PRICE STABILIZATION

In the judgment of the Director of Price Stabilization the provisions of Revised Supplementary Regulation 34 to General Ceiling Price Regulation are generally fair and equitable and are necessary to effectuate the purposes of Title IV of the Defense Production Act of 1950, as amended.

In formulating this revised supplementary regulation the Director has consulted with representatives of the industry to the extent practicable under the circumstances and has given consideration to their recommendations.

REGULATORY PROVISIONS

Sec.

1. What this supplementary regulation does.
2. Where this supplementary regulation applies.

Sec.

3. Persons covered by this supplementary regulation.
 4. Adjustments of ceiling prices of manufacturers for beef.
 5. Adjustments of ceiling prices of manufacturers for sheep casings.
 6. Adjustment of ceiling prices of distributors.
 7. Adjustment of ceiling prices of manufacturers and distributors who had no ceiling prices established prior to June 12, 1951 under the General Ceiling Price Regulation.
 8. Export sales.
 9. Modification of ceiling prices by Director of Price Stabilization.
 10. Reports, statements and records.
 11. Prohibitions.
 12. Definitions.
 13. Incorporation of General Ceiling Price Regulation by reference. Appendix A—Zone and price schedules for determining "base period cost" under applicable provision of section 4 and items of beef on which increases may be taken.
- Appendix B—Example OPS Public Form No. 99.

AUTHORITY: Sections 1 to 13 issued under sec. 704, 64 Stat. 816, as amended; 50 U. S. C. App. Sup. 2154. Interpret or apply Title IV, 64 Stat. 803, as amended; 50 U. S. C. App. Sup. 2101-2110; E. O. 10161, Sept. 9, 1950, 15 F. R. 6105; 3 CFR, 1950 Supp.

SECTION 1. What this revised supplementary regulation does. This revised supplementary regulation supersedes Supplementary Regulation 34 to the General Ceiling Price Regulation, issued on June 12, 1951, and hereafter referred to as the old Supplementary Regulation 34. This regulation authorizes certain manufacturers of fresh and semi-dry sausage made in whole or in part with beef to increase the ceiling price on that sausage, established prior to June 12, 1951, under the General Ceiling Price Regulation, by an amount based on the difference between the "base period cost" and the "current cost" of the items and grades of beef listed in Appendix A and used in the manufacture of that sausage. This regulation also permits manufacturers of fresh or semi-dry sausage stuffed in sheep casings, irrespective of whether or not such sausage contains beef, to increase the ceiling price for that sausage established under the General Ceiling Price Regulation, the old Supplementary Regulation 34 or this revised supplementary regulation by an additional dollars and cents amount depending upon the size of the sheep casings used. This revised supplementary regulation does not apply to any item covered specifically by any other regulation such as ground beef (bulk, including hamburger), ground beef in casings and ground beef patties. Ceiling prices for "dry" sausage are determined under Ceiling Price Regulation 22.

SEC. 2. Where this revised supplementary regulation applies. This revised supplementary regulation applies in the 48 states of the United States and the District of Columbia.

SEC. 3. Persons covered by this revised supplementary regulation—(a) Manufacturers subject to this revised supplementary regulation. (1) If you are a

manufacturer of sausage this revised supplementary regulation applies to you if:

(i) You sell fresh or semi-dry sausage which you manufactured in whole or in part from beef, and

(ii) Your "current cost" of any item and grade of beef listed in Appendix A and used in manufacturing that sausage exceeds your "base period cost" for that item and grade of beef.

(2) This revised supplementary regulation also applies to you if you are a manufacturer of fresh or semi-dry sausage stuffed in sheep casings.

(b) Distributors subject to this revised supplementary regulation. If you are a distributor of sausage this revised supplementary regulation applies to you if either:

(1) You resell an item of fresh or semi-dry sausage a whole or a part of the ingredients of which is declared to be beef in a statement furnished to you pursuant to section 7 (c) of the old Supplementary Regulation 34 or to section 10 (b) of this revised supplementary regulation, or

(2) You resell an item of fresh or semi-dry sausage stuffed in sheep casings; and

In addition to either subparagraph (1) or (2) of this paragraph you have been notified pursuant to section 7 (c) of the old Supplementary Regulation 34 or to section 10 (b) of this revised supplementary regulation of an adjustment in the ceiling price for that item of sausage by the manufacturer or distributor from whom you purchase that item of sausage.

SEC. 4. Adjustments of ceiling prices for manufacturers due to increase in cost of beef—(a) How you determine your adjustment. If you are a manufacturer of an item of fresh or semi-dry sausage containing one or more items of beef and you have or had a ceiling price for that item of sausage determined prior to June 12, 1951 under the General Ceiling Price Regulation, that Ceiling price for that item of sausage may be increased by the dollars and cents difference per cwt. between your "base period cost" and your "current cost" for each item and grade of beef listed in Appendix A, used in its manufacture, multiplied by the percentage of that item and grade of beef used in the item of sausage, and divided by the yield of that item of sausage. Your new ceiling price must be adjusted to the nearest ten cents per cwt.

Example. You manufacture an item of sausage from the following ingredients:

	Percent
Boneless bull meat.....	40
Regular beef trimmings.....	15
Other ingredients.....	45

Your yield on this item of sausage is 110 percent.

Your base period costs of beef are:

	Per hundredweight
Boneless bull meat.....	\$57.80
Regular beef trimmings.....	46.00

Your current costs are:

Boneless bull meat.....	62.35
Regular beef trimmings.....	49.33

Item of beef used	(A) Percent in formula	(B) Base period cost per hundred- weight	(C) Current cost per hundred- weight	(D) Increase in cost per hundred- weight	(E) Column A × Column D ÷ 100
Bull meat.....	40	\$37.80	\$62.35	\$4.55	\$1.8200
Regular beef trimmings.....	15	46.00	49.33	3.33	.4995
Total—Column E.....					\$2.3195
Yield.....					110%
Total increase in cost divided by the yield: $2.3195 \div 110 \times 100 = 2.109$					
Your CCPR ceiling price prior to June 12 is.....					\$55.00 per cwt.
Allowable increase.....					2.109 per cwt.
Your rounded adjusted ceiling price is.....					57.109 per cwt. 57.10 per cwt.

If you are a manufacturer of an item of fresh or semi-dry sausage containing one or more items of beef and you do not have and have never had a ceiling price for that item of sausage determined prior to June 12, 1951 under the General Ceiling Price Regulation, see section 7 of this regulation.

(b) *How you determine your "base period cost".* If, during the period January 15, 1951 to January 20, 1951, inclusive, you contracted for the purchase of a given item of beef which you used during that period or at any later time in the manufacture of fresh or semi-dry sausage, you determine your "base period cost" per cwt. for that item of beef as follows:

(1) Take the actual cost to you of the total weight of such item of beef which you actually used at any time in the manufacture of fresh or semi-dry sausage and which, during the period January 15, 1951 to January 20, 1951, inclusive, you contracted to purchase from independent sellers and the cost of which is substantiated by purchase invoices from those independent sellers.

(2) Take the total weight of that item of beef which you actually used at any time in the manufacture of fresh or semi-dry sausage and which, during the period January 15, 1951 to January 20, 1951, inclusive, (i) you produced, or (ii) you contracted to purchase from other than independent sellers, or (iii) you contracted to purchase and the cost of which cannot be substantiated by purchase invoices from independent sellers.

(3) Multiply the figure in subparagraph (2) of this paragraph by the price, including freight allowances, for a plant in your zone for that item of beef determined pursuant to Appendix A.

(4) Add the figures in subparagraphs (1) and (3) of this paragraph. This gives you your gross cost for the quantity of that item of beef which you actually used in the manufacture of fresh and semi-dry sausage.

(5) Divide this gross cost by the total weight of that item of beef actually used by you at any time in the manufacture of fresh or semi-dry sausage which, during the period January 15, 1951 to January 20, 1951, inclusive, you contracted to purchase or you produced yourself.

(6) The result is your "base period cost" per cwt. for that item of beef.

If you have or had a ceiling price for an item of fresh or semi-dry sausage, established prior to June 12, 1951 under the General Ceiling Price Regulation, but

during the period January 15, 1951 to January 20, 1951, inclusive, you made no contracts to purchase a given item of beef used by you in the manufacture of this item of sausage, your "base period cost" for that item of beef shall be the price, including freight allowances, for a plant in your zone for that item of beef determined pursuant to Appendix A.

(c) *How you determine your "current cost".* You must determine your "current cost" per cwt. for any given item and grade of beef listed in Appendix A as follows:

(1) Determine the percentage of your total requirement of that item of beef during the two full calendar weeks between September 24, 1951 and October 6, 1951, inclusive, which you produced, and/or which you procured from anyone other than independent seller;

(2) Determine the percentage of your total requirement of that item of beef during the two full calendar weeks between September 24, 1951, and October 6, 1951, inclusive, which you procured from slaughterers who were independent sellers;

(3) Determine the percentage of your total requirement of that item of beef during the two full calendar weeks between September 24, 1951, and October 6, 1951, inclusive, which you procured from wholesalers who were independent sellers;

(4) Multiply the sum of the percentages determined under subparagraphs (1) and (2) of this paragraph by the ceiling price at which a slaughterer may under CPR 24, as amended, sell that item of beef to you at your plant, such ceiling price to include an allowance for local delivery in accordance with section 41 of CPR 24, as amended, not to exceed 40 cents per cwt. and an allowance for boxing in accordance with section 45 of CPR 24, as amended, not to exceed 70 cents per cwt.

(5) Multiply the percentage determined under subparagraph (3) of this paragraph by the ceiling price at which a wholesaler may under CPR 24, as amended, sell that item of beef to you at your plant, such ceiling price to include an allowance for local delivery in accordance with section 41 of CPR 24, as amended, not to exceed 40 cents per cwt. and for boxing in accordance with section 45 of CPR 24, as amended, not to exceed 70 cents per cwt.

(6) Add the figures in subparagraphs (4) and (5) of this paragraph.

(7) The result is your "current cost" per cwt. for the given item of beef.

When used in subparagraphs (1), (2) and (3) of this paragraph the term "calendar week" means a period of seven days from Sunday through Saturday, inclusive; the term "requirement" as used in subparagraphs (1), (2) and (3) of this paragraph shall include the amount, by weight, of a given item of beef actually used by you in the manufacture of fresh or semi-dry sausage during the two full calendar weeks between September 24, 1951 and October 6, 1951, inclusive, which was produced by yourself, which you procured from anyone who was not an independent seller, which you procured from slaughterers who were independent sellers and which you procured from wholesalers who were independent sellers, so that the percentages calculated under those subparagraphs shall add up to 100 percent.

(d) *Limitations on your adjustment.* Your ceiling price for an item of sausage may not be increased pursuant to this section, if:

(1) You have, after the effective date of this revised supplementary regulation, established a ceiling price for that item of sausage under section 4, 6 or 7 of the General Ceiling Price Regulation; or

(2) Your total dollar sales of that item of sausage during the last full accounting period immediately preceding the effective date of this revised supplementary regulation amounted to not more than 2 percent of the dollar sales of all items of fresh and semi-dry sausage, made in whole or in part from beef, sold by you during that accounting period; or

(3) Your ceiling price for that item of sausage has once been increased under this section of this revised supplementary regulation.

SEC. 5. *Adjustments of ceiling prices of manufacturers for sheep casings—(a) How you determine your adjustment.* If you are a manufacturer of an item of fresh or semi-dry sausage stuffed in sheep casings, you may increase your ceiling price for that item of sausage, as determined under the General Ceiling Price Regulation, the old Supplementary Regulation 34 or pursuant to section 4 of this revised supplementary regulation, whichever is applicable to you subsequent to the effective date of this regulation, as follows:

(1) \$1.80 per cwt. if stuffed in sheep casings of 18/20 mm. or smaller.

(2) \$2.30 per cwt. if stuffed in sheep casings of 20/22 mm. or larger.

These increases are in addition to those which may have been taken under the old Supplementary Regulation 34 or pursuant to section 4 of this revised supplementary regulation due to increased beef costs.

(b) *Limitations on your adjustment under this section.* Your ceiling price for an item of sausage may not be increased pursuant to this section, if:

(1) You have, after the effective date of this revised supplementary regulation, initially established, or recalculated pursuant to section 7 of this revised supplementary regulation, a ceiling price for that item of sausage under section 4, 6 or 7 of the General Ceiling Price Regulation; or

(2) Your ceiling price for that item of sausage has once been increased under this section of this revised supplementary regulation.

(c) *Application for additional adjustment*—(1) *Who may apply.* You may apply for an adjustment in your ceiling price for an item of fresh or semi-dry sausage, in addition to the adjustment permitted in paragraph (a), of this section if your total dollar sales of that item of sausage stuffed in sheep casings amounted, during the last full accounting period immediately preceding the effective date of this revised supplementary regulation, to more than 20 percent of the dollar sales of all items of fresh and semi-dry sausage sold by you during that accounting period.

(2) *Application.* Your application for additional adjustment for an item of fresh or semi-dry sausage stuffed in sheep casings must be filed with the Food and Restaurant Division, Office of Price Stabilization in Washington 25, D. C. and should contain the following information:

(i) The name and description of that item of sausage;

(ii) The total quantity of sheep casings of (a) 18/20 mm. or smaller, and (b) 20/22 mm. or larger, which you used in the manufacture of that item of sausage during the period January 15, 1951 to January 20, 1951, inclusive, and the total cost of such sheep casings of each of those sizes.

(iii) The total quantity of sheep casings of (a) 18/20 mm. or smaller, and (b) 20/22 mm. or larger, normally used by you in the manufacture of that item of sausage, which you purchased or otherwise obtained during the last full accounting period immediately preceding the effective date of this revised supplementary regulation in which such sheep casings were purchased or otherwise obtained and the total cost of such sheep casings of each of those sizes.

(iv) The percentage of sheep casings of (a) 18/20 mm. or smaller, and (b) 20/22 mm. or larger, which you used in the manufacture of that item of sausage during the last full accounting period immediately preceding the effective date of this revised supplementary regulation.

(v) Your total dollar sales of that item of sausage, stuffed in sheep casings during the last full accounting period immediately preceding the effective date of this revised supplementary regulation, and

(vi) Your total dollar sales of all items of fresh and semi-dry sausage during that accounting period. You must, in addition, give any further information requested by the Office of Price Stabilization.

(3) *Action by the Director of Price Stabilization.* If the Director of Price Stabilization finds that the increases permitted under section 5 (a) do not adequately reflect the difference between your cost for all sheep casings, irrespective of size, used by you during the period January 15, 1951, and January 20, 1951, inclusive, in the manufacture of a given item of fresh or semi-dry sausage and your cost, prior to the effective date of this revised supplementary regulation, for such sheep casings, he may

grant your application in whole or in part. The Director may, pending a final determination on your application, request further information with respect to that application.

SEC. 6. *Adjustment of ceiling prices for distributors*—(a) *How you determine your adjustment for beef sausage.* If you are a distributor subject to this revised supplementary regulation, your ceiling price for an item of sausage, as determined prior to June 12, 1951, under the General Ceiling Price Regulation, may be adjusted by the dollars and cents amount by which the ceiling price of the manufacturer or distributor from whom you purchase that item of sausage has been adjusted, due to the increase in cost to him of beef, according to a notice furnished to you pursuant to section 10 (b) (1). Your ceiling price must be adjusted by the dollar and cents amount by which the ceiling price of the manufacturer or distributor from whom you purchase that item of sausage has been adjusted, according to a notice furnished to you, pursuant to section 10 (b) (2) of this revised supplementary regulation, by such manufacturer or distributor.

If you do not have and never had a ceiling price established for that item of sausage prior to June 12, 1951 under the General Ceiling Price Regulation, see section 7 of this regulation.

(b) *How you determine your adjustment for sausage stuffed in sheep casings.* If you are a distributor of an item of sausage stuffed in sheep casings, you may increase your ceiling price, for that item of sausage, as determined under the General Ceiling Price Regulation, the old Supplementary Regulation 34 or pursuant to paragraph (a) of this section, whichever is applicable to you subsequent to the effective date of this revised supplementary regulation, by the dollars and cents amount per cwt. by which the ceiling price of the manufacturer or distributor from whom you purchase that item of sausage has been adjusted for sheep casings according to a notice furnished to you pursuant to section 10 (b) (1). Your ceiling price must be adjusted by the dollars and cents amount by which the ceiling price of the manufacturer or distributor from whom you purchase that item of sausage has been adjusted according to a notice furnished to you, pursuant to section 10 (b) (2) of this revised supplementary regulation, by such manufacturer or distributor.

(c) *Limitations on your adjustment under paragraphs (a) and (b) of this section.* Your ceiling price for an item of sausage may not be increased pursuant to paragraph (a) or (b) of this section, if:

(1) Your ceiling price for that item of sausage has once been increased under that section of this revised supplementary regulation; or

(2) You have, after the effective date of this revised supplementary regulation, initially established, or recalculated pursuant to section 7 of this revised supplementary regulation, a ceiling price for that item of sausage under section 5, 6 or 7 of the General Ceiling Price Regulation.

SEC. 7. *Adjustments of ceiling prices for manufacturers and distributors who had no ceiling price established prior to June 12, 1951 under the General Ceiling Price Regulation*—(a) *How you determine your adjustment.* (1) If you are either:

(i) A manufacturer of fresh or semi-dry sausage made in whole or in part from beef, or

(ii) A distributor subject to this revised supplementary regulation who has received a notice pursuant to section 10 (b) (1) with respect to an item of sausage containing beef, and

In addition to either (i) or (ii) you do not have and have never had a ceiling price established for that item of sausage prior to June 12, 1951 under the General Ceiling Price Regulation, you may recalculate your ceiling price for that item of sausage under the General Ceiling Price Regulation as if you had never before established a ceiling price for that item of sausage. In recalculating your ceiling price for an item of sausage pursuant to this section you shall be subject to all the provisions of the General Ceiling Price Regulation, including but not limited to the reporting requirements of that regulation, as if you were pricing under that regulation for the first time.

(2) If you are a distributor who has increased your ceiling price for an item of sausage pursuant to this section and you subsequently receive a notice pursuant to section 10 (b) (2) from the manufacturer or distributor from whom you purchase that item of sausage that his ceiling price for that item has been reduced, your ceiling price for that item of sausage must be reduced by the dollars and cents amount by which such manufacturer's or distributor's ceiling price has been reduced according to the notice furnished pursuant to section 10 (b) (2).

(b) *Limitations on your adjustment under this section.* Your ceiling price for an item of sausage may not be recalculated pursuant to this section, if:

(1) You are a manufacturer or distributor subject to this revised supplementary regulation and you have, after the effective date of this regulation, initially established, or recalculated pursuant to this section, a ceiling price under section 4, 5, 6 or 7 of the General Ceiling Price Regulation.

(2) You are a manufacturer subject to this revised supplementary regulation and your total dollar sales of that item of sausage during the last full accounting period immediately preceding the effective date of this revised supplementary regulation amounted to not more than 2 percent of the dollar sales of all items of fresh or semi-dry sausage, made in whole or in part from beef, sold by you during that accounting period; if you had no ceiling price established for that item during such full accounting period then your calculation must be based on such shorter period immediately preceding the effective date of this regulation during which you did have a ceiling price for that item of sausage.

SEC. 8. *Export sales*—(a) *Ceiling prices.* The ceiling prices at which you may export any item of sausage subject

to this revised supplementary regulation shall be your domestic ceiling price for the item of sausage, f. o. b. your place of business, determined in accordance with this revised supplementary regulation plus any of the following costs actually incurred incidental to exportation of the item of sausage.

- (1) Cost of transportation to the dock.
- (2) Export packing costs.
- (3) Demurrage or warehouse charges.
- (4) Ocean freight costs.
- (5) Insurance costs.
- (6) Consular fees.
- (7) Freight forwarders' fees.

(b) *Records and reports for exporters.* You shall make and preserve the reports, statements and records required in section 10 of this revised supplementary regulation and in addition to the information there required, you shall keep records showing any of the actual costs incurred in paragraph (a) (1) through (7) of this section. You shall furnish the buyer with a written statement showing all this information.

Sec. 9. Modification of ceiling prices by Director of Price Stabilization. The Director of Price Stabilization may at any time request further information with respect to a ceiling price granted, reported or proposed pursuant to the old Supplementary Regulation 34 or to this revised supplementary regulation, or he may disapprove or revise any such granted, reported or proposed price to bring it into line with the level of ceiling prices otherwise established by this regulation.

Sec. 10. Reports, statements and records—(a) Reports. (1) If you are a manufacturer subject to this revised supplementary regulation, you may not charge a ceiling price for an item of sausage, increased pursuant to this revised supplementary regulation by more than one dollar per cwt. over the ceiling price for that item established prior to June 12, 1951, if any, or over your ceiling price for that item in effect immediately preceding the effective date of this revised supplementary regulation, whichever is the lower price, and you may not after December 31, 1951, charge a ceiling price for an item of sausage, increased pursuant to the old Supplementary Regulation 34 by more than one dollar per cwt., until you have first filed with your Regional Director of the Office of Price Stabilization, a separate OPS Public Form No. 99 for that item of sausage. Immediately upon filing the required form with your Regional Director you may charge the appropriate increased ceiling price. Copies of OPS Public Form No. 99 may either be obtained from any regional or district office of the Office of Price Stabilization, or may be made up in accordance with the example contained in Appendix B.

(2) If you are a manufacturer whose ceiling price for an item of sausage is increased pursuant to this revised supplementary regulation or which was increased pursuant to the old Supplementary Regulation 34, by a total of one dollar per cwt. or less over your ceiling price established prior to June 12, 1951,

under the General Ceiling Price Regulation or over your present ceiling price, whichever is the lower price, you may charge the appropriate increased ceiling price for that item of sausage without filing an OPS Public Form No. 99 for that item of sausage or otherwise notifying the Office of Price Stabilization. However, you must in any event keep records showing the information which you would otherwise be required to submit on OPS Public Form No. 99.

(b) *Furnishing invoices and statements.* (1) If you are a manufacturer subject to this revised supplementary regulation you shall hereafter furnish to each customer, other than an ultimate consumer, upon his initial purchase of an item of sausage at a ceiling price increased pursuant to this revised supplementary regulation:

- (i) A sales invoice for that item of sausage, and
- (ii) A statement or statements in the following form or forms, when applicable.

Your ceiling prices [as determined prior to June 12, 1951, under the General Ceiling Price Regulation]¹ for the following items, which contain beef, have been increased pursuant to OPS Revised Supplementary Regulation 34 to the General Ceiling Price Regulation in the following amounts per cwt:

- (1) Name and description of item of sausage.
- (2) Increase per cwt.

(a).

(b).

(c).

(Etc.).

OPS permits you to add the amounts of these increases to your ceiling prices as determined prior to June 12, 1951, under the General Ceiling Price Regulation, upon the resale of these products. In accordance with the requirements of OPS Revised Supplementary Regulation 34 you must preserve this notice and display it to any authorized officer of the Office of Price Stabilization upon his request.

Your ceiling prices for the following items of sausage, which are stuffed in sheep casings, have been increased pursuant to OPS Revised Supplementary Regulation 34 to the General Ceiling Price Regulation in the following amounts per cwt:

- (1) Name and description of item of sausage.
- (2) Increase per cwt.

(a).

(b).

(c).

(Etc.).

OPS permits you to add the amount of these increases to your ceiling prices established under the General Ceiling Price Regulation, the old Supplementary Regulation 34 or pursuant to the Revised Supplementary Regulation 34. These increases may be taken in addition to any increase due to increased beef costs which you are authorized to pass through, upon resale of the product. In accordance with the requirements of OPS Revised Supplementary Regulation 34 you must preserve this notice and display it to any authorized officer of the Office of Price Stabilization upon his request.

(2) If you are a manufacturer whose increased ceiling price, established pursuant to the old Supplementary Regulation 34 or pursuant to this revised supplementary regulation, has been disapproved or modified:

¹ This parenthetical clause shall be added unless your increased ceiling was allowed under section 7.

(1) You must make such modification in your increased ceiling price as is required in the notice from the Regional or National Office; and

(ii) Thereafter, upon the initial purchase of that item of sausage from you by each customer, other than an ultimate consumer, to whom you have sold that item of sausage at the increased ceiling price, you must give such customer: (a) A sales invoice for that item of sausage; and (b) notice of such disapproval or modification in the form of a conformed copy of the order disapproving or modifying your increased ceiling price.

(3) If you are a distributor subject to this revised supplementary regulation and have begun to sell to any customer, other than an ultimate consumer, an item of sausage at a ceiling price increased pursuant to the old Supplementary Regulation 34 or pursuant to this revised supplementary regulation, you must, upon receiving a statement pursuant to subparagraphs (1) and (2) of this paragraph furnish to that customer, upon the first subsequent purchase of that item of sausage from you by that customer, a statement identical to the one you received.

(c) *Record-keeping requirements.* (1) You shall preserve for a period of two years after the effective date of this revised supplementary regulation all reports, statements, records and documents used or relied upon in connection with the establishment of an increased ceiling price pursuant to the old Supplementary Regulation 34 or pursuant to this revised supplementary regulation.

(2) You may, at the expiration of 90 days from the date of any transaction, preserve the record of that transaction on microfilm.

Sec. 11. Prohibitions. (a) You shall not do any act prohibited or omit to do any act required by this revised supplementary regulation, nor shall you offer, solicit, attempt or agree to do or omit to do any such acts.

(b) The following are specifically, but not exclusively, prohibited by paragraph (a) of this section and are itemized here only to lessen the frequency of interpretative inquiries which experience indicates are likely to be made in this industry under the general prohibition provisions.

(1) Your ceiling price for an item of sausage shall not be increased, and you may not, after the effective date of this revised supplementary regulation charge a ceiling price which has already been increased pursuant to the old Supplementary Regulation 34, due to an increase in cost to you of any item or grade of beef not listed in Appendix A.

(2) You shall not, if you are a distributor subject to this revised supplementary regulation, charge a ceiling price, increased pursuant to the old Supplementary Regulation 34 or pursuant to this revised supplementary regulation, for any quantity of an item of sausage which you have purchased from a manufacturer who has not furnished you with a notice pursuant to section 10 (b) (1) (ii) informing you that such

manufacturer's ceiling price has been increased for that item of sausage.

(3) On and after the effective date of this revised supplementary regulation, regardless of any contract, agreement, or understanding, you shall not sell or transfer and you shall not in the course of trade or business buy or receive any item of sausage at a price exceeding the applicable ceiling price, as adjusted at the time of sale, for that item of sausage determined pursuant to the provisions of this revised supplementary regulation.

SEC. 12. *Definitions.* Where used in this part, the term:

(a) "Accounting period" means the customary accounting period of a calendar month or a period of at least four weeks and not more than five weeks in length used by you in keeping your books and records, and shall be the same period used by you in making reports, if any, to the United States Department of Agriculture or to the Office of Price Stabilization, pursuant to Distribution Regulation 1.

(b) "Beef" means "skeletal beef" or "beef by-products." "Skeletal beef" means that part of the striated muscle which is part of the dressed carcass of cattle. "Beef by-products" means dressed edible parts derived from cattle, other than skeletal beef.

(c) "Item of beef" means any item of beef listed in Schedule I of Appendix A of this supplementary regulation.

(d) "Calendar week." See section 4 (c).

(e) "Distributor" means anyone who resells sausage.

(f) "Independent seller" means a seller who is not affiliated with the purchaser.

(g) "Affiliated" means the relationship existing between two persons when one is owned or controlled by the other, or when both are owned or controlled by the same person, or when one is an employee or agent of the other. "Own or control" means to own or control directly or indirectly a partnership equity or in excess of 10 percent of any class of outstanding stock, or to have made loans or advances in excess of 5 percent of the other person's monthly sales.

(h) "Grades" means the uniform grades required under Distribution Regulation 2.

(i) "Old Supplementary Regulation 34" means Supplementary Regulation 34 to the General Ceiling Price Regulation, issued June 12, 1951.

(j) "Requirement." See section 4 (c).

(k) "Sausage" means chopped, ground or comminuted meat seasoned with spice and/or condiments and to which salt, sodium nitrate, sodium nitrite and extender, may or may not be added.

(l) "Dry sausage" means sausage which is air-dried and not cooked, the yield of which is less than 75 percent.

(m) "Semi-dry sausage" means sausage which is cooked or partially air-dried the yield of which is between 75 percent and 95 percent, inclusive.

(n) "Fresh sausage" means sausage other than dry or semi-dry sausage. (It

includes, but is not limited to fresh pork sausage, Frankfurters, Bologna and other smoked or cooked sausage items on which the yield is greater than 95 percent).

(o) "Item of sausage" means sausage made pursuant to a given formula and in a given manner. Sausage made pursuant to a given formula which is stuffed in sheep casings is a different item from sausage made pursuant to the same formula which is not stuffed in sheep casings.

(p) "Sheep casing" means the small intestinal tube of sheep or lamb properly flushed and cleaned.

(q) "Ultimate consumer" means an individual who purchases meat for his own consumption or that of his household.

(r) "Yield" means the finished weight of the item of sausage divided by the weight of meat, meat by-products and extender used and expressed as a percentage. The weight of the meat, meat by-products and extender is to be considered the weight of such ingredients in the sausage kitchen immediately prior to chopping and mixing.

(s) "Finished weight" means the weight of the product when ready for shipment.

(t) The pronoun "You" as used in this revised supplementary regulation means the person subject to the regulation.

SEC. 13. *Incorporation of General Ceiling Price Regulation by reference.*

Each manufacturer or distributor of sausage subject to this revised supplementary regulation shall be subject to all of the provisions of the General Ceiling Price Regulation which are not inconsistent with the provisions of this revised supplementary regulation, including, but not limited to, the enforcement and penalty provisions thereof, and the requirement of keeping on file for inspection a statement of his ceiling price.

Effective date. This revised supplementary regulation to General Ceiling Price Regulation shall become effective on the 26th day of November, 1951.

NOTE: The record keeping and reporting requirements of this supplementary regulation have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

MICHAEL V. DiSALLE,
Director of Price Stabilization.

NOVEMBER 21, 1951.

APPENDIX A—ZONE AND PRICE SCHEDULES FOR DETERMINING "BASE PERIOD COST" UNDER APPLICABLE PROVISION OF SECTION 4 AND ITEM OF BEEF ON WHICH INCREASES MAY BE TAKEN

Your "base period cost" for beef under the applicable provision of section 4 is, if your plant is located in:

Zone 1—Schedule 1 (a) prices less the fresh meat carload freight to or from Chicago, whichever is lower.

Zone 2—Schedule 1 (b) prices plus the fresh meat carload freight from Omaha, Nebraska, or Denver, Colorado, whichever is lower.

Zone 2A—Same as Zone 1.

Zone 3—Schedule 1 (b) prices plus the fresh meat carload freight rate from Denver, Colorado.

Zone 4—Schedule 1 (a) prices plus the fresh meat carload freight rate from Chicago, Illinois or St. Louis, Missouri, whichever is lower.

Zone 4A—Same as Zone 4.

Zone 4B—Same as Zone 4.

The zones referred to above are those defined in Appendix 1 of Ceiling Price Regulation 24.

SCHEDULE 1¹

	(a)	(b)
Bull meat.....	\$57.80	\$57.00
Canner and cutter cow meat.....	55.10	54.30
Canner and cutter boneless chucks (clod out).....	54.60	53.80
Shank meat.....	56.50	55.70
Regular beef trimmings.....	46.00	45.20
50 percent lean beef trimmings.....	30.80	30.00
Cheek meat.....	39.40	38.60
Head meat.....	39.40	38.60
Hearts.....	34.70	33.90
Lips, scalded.....	17.70	16.90
Lips, unscalded.....	16.70	15.90
Lungs.....	9.00	8.20
Melts.....	9.00	8.20
Tripe, scalded.....	12.50	11.70
Tripe, cooked.....	13.70	12.90
Udders.....	8.00	7.20

¹ The prices listed in Schedule 1 are the approximate average prices on the Chicago market during the period Jan. 15, 1951, to Jan. 20, 1951, inclusive, adjusted to the nearest 10 cents per hundredweight.

APPENDIX B—EXAMPLE OPS PUBLIC FORM NO. 99

UNITED STATES GOVERNMENT
OFFICE OF PRICE STABILIZATION
WASHINGTON 25, D. C.

OPS Public Form No. 99

Report of Sausage Containing Beef and/or Stuffed in Sheep Casings Adjusted Ceiling Price

Pursuant to GCPR, SR 34 Revised

Form Approved
Budget Bureau No. 94-R421

The individual company information reported on this form is for use in connection with the Defense Mobilization Program. Persons who have access to individual company information are subject to penalties for unauthorized disclosure.

This form may be reproduced without change

If additional space is needed for any item attach continuation sheets and cite applicable item numbers.

Who Must File. A single copy of this report must be filed by each manufacturer for each item of fresh or semidry sausage on which he seeks to charge a ceiling price increased pursuant to Supplementary Regulation 34, issued June 12, 1951, or pursuant to Revised Supplementary Regulation 34 by an amount in excess of \$1 per hundredweight over his GCPR ceiling price determined prior to June 12, 1951, or his actual ceiling price immediately preceding the effective date of Revised Supplementary Regulation 34, whichever is the lower.

When to File. This report must be filed by manufacturers, who must file under the preceding paragraph, before they may charge a ceiling price increased pursuant to Revised Supplementary Regulation 34. This report must be filed before December 31, 1951, by manufacturers, covered by the preceding paragraph, who wish to charge a ceiling price increased pursuant to Supplementary Regulation 34, issued June 12, 1951.

On What Items You May File. (1) Those items of fresh and semi-dry sausage which contain beef, the costs of which have increased; (2) Those items of fresh and semi-dry sausage which are stuffed in sheep casings.

Where to File. This report must be filed by registered mail, return receipt requested, with the Regional Director of the Office of Price Stabilization for the area in which the manufacturer is located.

1. Name of reporting company: John Doe Sausage Co.
2. Office address (City, Zone, State): 7th and Jefferson Drive SW.
3. Location of area to which these prices are applicable: Washington, D. C.
4. Name of sausage product: Frankfurters.
5. Type and size of casing: Sheep casings—18/20.

6. GCPR ceiling price prior to June 12, 1951, for different classes of purchasers.

Sizes of packages	Independent peddlers	Chain stores and super markets	Retailers	Purveyors of meals	Other (specify)
6-pound bulk	\$51.00		\$55.00		
1-pound cello	54.00		59.00		

7. Determination of your adjustment due to increase in cost of beef.

Item of beef used	Percent in formula (a)	Base period cost per cwt. (b)	Current cost per cwt. (c)	Increase in cost per cwt. (d)	Column (a) X column (d) +100 (e)
Bull meat	40	\$57.80	\$62.35	\$4.55	\$1.8200
Regular beef trimmings	15	46.00	49.33	3.33	.4995
8. Total					2.3195
9. Yield as defined in section 12 of revised SR 34					110%
10. Line 8 + line 9 X 100 (increased cost per cwt. product)					\$2.109
11. Total dollar sales of fresh and semi-dry sausage containing beef during last full accounting period					\$100,000
12. Total dollar sales of this item of sausage specified in line 4 during last full accounting period					\$10,000
13. Line 12 + line 11 X 100					10%
14. Allowable increase in sausage stuffed in sheep casings (see sec. 5, revised SR 34)					\$1.80 per cwt.
15. Your computed price					

[Item 6 plus Item 10 plus Item 14 for the specific classes of purchasers, adjusted to the nearest 10 cents per cwt.]

Sizes of packages	Independent peddlers	Chain stores and super markets	Retailers	Purveyors of meals	Other (specify)
6-pound bulk	\$54.00		\$58.00		
1-pound cello	57.90		62.90		

I certify that the statements made herein are true and correct to the best of my knowledge and belief.

NOTICE.—A willfully false statement is a criminal offense.

Signature of sausage manufacturer or authorized agent: John Doe.

Title: General manager.

Date: Nov. 30, 1951.

[F. R. Doc. 51-14084; Filed, Nov. 21, 1951; 12:23 p. m.]

[General Overriding Regulation 4, Amdt. 3]

GOR 4—EXEMPTIONS OF CERTAIN CONSUMER SOFT GOODS

KENAF FIBER

Pursuant to the Defense Production Act of 1950, as amended, Executive Order 10161 (15 F. R. 6105), and Economic Stabilization Agency General Order No. 2 (16 F. R. 738), this Amendment 3 to General Overriding Regulation 4 is issued.

STATEMENT OF CONSIDERATIONS

This amendment to General Overriding Regulation 4 adds kenaf fiber to the commodities exempted by that regulation from any ceiling price restrictions imposed by the Office of Price Stabilization.

The request for the exemption of kenaf fiber emanates from the Department of Agriculture which has undertaken an experimental program to expand the production of kenaf seed and fiber in the United States and various parts of the Western Hemisphere. The program was initiated by direction of the Defense Production Administration, pursuant to the provisions of the Defense Production Act of 1950. In justification of the program, the Defense Production Administration certified that the expansion of the production of kenaf as a strategic material was in the interest of national defense. It is intended by the program to develop kenaf as a jute substitute for use in the event the usual supplies of jute and jute products, imported in the main from Pakistan and India,

are seriously reduced or cut off. The program has as its two principal objectives, (1) that sufficient kenaf seed will be produced to assure that, in the event of an emergency, enough seed will be available for the production of a reasonable quantity of the fiber; and (2) that some of the fiber produced will be used experimentally to fully determine its acceptability as a jute substitute on a large scale.

The Secretary of Agriculture states that as part of the kenaf program kenaf seed has been purchased and has been distributed to producers who have contracted to sell all the kenaf fiber and seed which they produce to the Commodity Credit Corporation. It is expected that the seed and fiber will be harvested and delivered by the producers to the Commodity Credit Corporation during the last part of 1951. The seed will then be resold to producers and the fiber will be resold to spinning and weaving plants in order to further familiarize these users with the fiber and to develop processing techniques. With respect to the purchase and sale of the seed and fiber by the Commodity Credit Corporation, the entire program is under the strict control of the Department of Agriculture. As to the kenaf which is presently grown by persons other than producers under contract with Commodity Credit Corporation, the total amount so produced is very small. As to these other producers, the program seeks to encourage such production.

Heretofore the production of kenaf fiber in the Western Hemisphere has

been very limited. Although production will increase under the program, the quantity of kenaf fiber produced will be restricted by the Department of Agriculture so as to assure a large seed yield. It is estimated that the total amount of kenaf fiber available for sale by the Commodity Credit Corporation in 1951 will approximate 2,550,000 pounds. This amount will be slightly increased by the amount which will be sold by producers not under contract with Commodity Credit Corporation. The total estimated kenaf production would be relatively insignificant compared to the 550,000,000 pounds of jute fiber imported from India in 1949 in the form of burlap, and the 135,000,000 pounds of raw jute imported in that year. While since 1949 the imports of burlap and raw jute have dropped, the amount of kenaf expected to be produced and sold would still be relatively insignificant.

Kenaf seed is exempt from the General Ceiling Price Regulation. Kenaf fiber, sold by others than the original producers, is covered by that regulation. Consequently sales of the fiber by the Commodity Credit Corporation and others who purchase the fiber from the producers, are presently covered by GCPR.

The Secretary of Agriculture states that to assure the successful execution of the kenaf expansion program it is essential that sales of kenaf fiber be exempted from price control restrictions. It also appears that in the present stage of development of the kenaf growing industry, kenaf fiber is of minor significance to and would have but a negligible effect on the cost of living, the cost of the defense effort or to general current industrial costs. Such kenaf fiber is not so related to any other commodities which are important to the cost of living, the cost of the defense effort or to general current industrial costs as to have any effect on the control of other commodities remaining under ceiling price regulation. Furthermore, any ceiling price restrictions imposed on sales of this commodity would involve an administrative and enforcement burden out of all proportion to the importance of keeping such sales under price control.

In the judgment of the Director of Price Stabilization the exemption provided for by this amendment will not impair the carrying out of the requirements of the Defense Production Act of 1950, as amended, and it is accordingly not necessary for ceilings to be applied to these sales.

To the extent practicable under the circumstances, the Director has consulted with representatives of the governmental agencies involved prior to the issuance of this amendment and has given consideration to their recommendations.

AMENDATORY PROVISION

General Overriding Regulation 4 is amended by adding a new section 6 to read as follows:

Sec. 6. Certain fibers. (a) Kenaf.

(Sec. 704, 64 Stat. 816, as amended; 50 U. S. C. App. Sup. 2154)

Effective date. This amendment to General Overriding Regulation 4 shall become effective on November 26, 1951.

EDWARD F. PHELPS, Jr.,
Acting Director of Price Stabilization.

NOVEMBER 21, 1951.

[F. R. Doc. 51-14086; Filed, Nov. 21, 1951;
12:23 p. m.]

Chapter XV—Federal Reserve System

[Regulation X]

REG. X—REAL ESTATE CREDIT

EXEMPTIONS AND EXCEPTIONS

1. Effective November 19, 1951, Regulation X is amended in the following respects:

a. By adding the following paragraph (n) to section 5:

(n) *Unavoidable sales delay.* If a Registrant desires to extend credit to a person (1) who is moving from one municipality or county to another, and (2) who is purchasing residential property in the new location, which will be used in substitution for residential property presently held by such person in the old location as an owner-occupant, and (3) who has sold or is to sell the property presently held and apply the proceeds of the sale to the new purchase, the Registrant may apply to a Federal Reserve Bank for an exemption from this regulation, stating in the application all the relevant facts and that the Registrant is satisfied in good faith that the making or completion of the sale of the presently held property has been delayed for an unavoidable reason and that the proceeds from the sale will therefore be temporarily unavailable to apply to the new purchase. If the Federal Reserve Bank is satisfied that the delay is unavoidable, it will issue a certificate of exemption to the Registrant and thereupon the Registrant may extend credit with respect to the property being purchased without regard to the secondary borrowing prohibition in paragraph (b) of section 4 of this regulation: *Provided, however,* Any credit extended which exceeds the maximum loan value of the property being purchased shall meet such requirements as may be specified in the certificate issued by the Federal Reserve Bank and shall not in any event have a maturity of more than six months from the date the certificate was issued.

b. In paragraph (1) of section 5, strike out "30 months" and insert "36 months" in lieu thereof.

2. a. The above amendment is issued by the Board of Governors of the Federal Reserve System with the concurrence of the Housing and Home Finance Administrator, under authority of the "Defense Production Act of 1950", approved September 8, 1950, as amended; and Executive Order No. 10161, dated September 9, 1950.

The purpose of the amendment adding paragraph (n) is to assist persons moving from one part of the country to another in the purchase of a new home when there is a delay in obtaining the

proceeds from the sale of their old home. The purpose of the amendment to paragraph (1) is to change the maximum period specified in connection with exempt loans for materials, articles, and services used in new construction from 30 to 36 months in order to parallel recent changes in Regulation W relating to consumer credit.

b. Section 709 of the Defense Production Act of 1950 provides that the functions exercised under such act shall be excluded from the operations of the Administrative Procedure Act (60 Stat. 237) except as to the requirements of section 3 thereof.

Special circumstances have rendered impracticable consultation with industry representatives, including trade association representatives, in the formulation of the above amendments; and, therefore, as authorized by the aforesaid section 709, the amendments have been issued without such consultation.

(Sec. 704, 64 Stat. 816, as amended; 50 U. S. C. App. Sup. 2154. Interprets or applies Title VI, 64 Stat. 812, as amended; 50 U. S. C. App. Sup. 2131-2135. E. O. 10161, Sept. 9, 1950, 15 F. R. 6105; 3 CFR, 1950 Supp.)

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM,

[SEAL] S. R. CARPENTER,
Secretary.

[F. R. Doc. 51-13927; Filed, Nov. 21, 1951;
8:47 a. m.]

Chapter XVIII—National Shipping Authority, Maritime Administration, Department of Commerce

[NSA Order No. 51 (SRM-6)]

SRM-6—PROCEDURE FOR ACCOMPLISH- MENT OF SHIP REPAIRS UNDER NATIONAL SHIPPING AUTHORITY INDIVIDUAL CON- TRACT FOR MINOR REPAIRS—NSA- WORKSMALREP

Sec.

1. What this order does.
2. Description of NSA-WORKSMALREP Contract.
3. When the NSA-WORKSMALREP Contract may be used.
4. Persons authorized to make awards under NSA-WORKSMALREP Contract.
5. Responsibility for duplicating copies of NSA-WORKSMALREP Contract.

AUTHORITY: Sections 1 to 5, issued under sec. 204, 49 Stat. 1937, as amended; 46 U. S. C. 1114. Interpret or apply R. S. sec. 3709; 41 U. S. C. 5.

SECTION 1. *What this order does.* This order authorizes the use of NSA-WORKSMALREP individual contract for minor repairs to Maritime Administration owned or controlled vessels. The procedure to be followed by the field personnel of the Authority, the General Agents of the Authority, and the respective ship repair contractors is set forth in the "General Provisions for Small Repairs" and, therefore, no further reference is made to said procedure herein.

SEC. 2. *Description of NSA-WORKSMALREP Contract.* This is an individual fixed price contract which may be awarded to any firm not holding an NSA-LUMPSUMREP Contract as a re-

sult of formal competitive bids, spot bids, or by negotiation for the performance of ship repair work. NSA Order No. 46 (SRM-5) sets forth the conditions when work may be awarded on the basis of formal competitive bids, spot bids or negotiation, therefore, further reference thereto will not be made herein. This form supersedes the use of the existing WORKSMALREP Contract.

SEC. 3. *When the NSA-WORKSMALREP Contract may be used.* This contract may be used for awards to firms performing specialized work such as repairs to and adjustment of compasses, direction finders, radios, refrigerators, etc., as well as minor voyage repairs of a general nature. The use of this contract is limited to awards not to exceed a total aggregate cost of \$2,000.

SEC. 4. *Persons authorized to make awards under NSA-WORKSMALREP Contract.* Authority is hereby delegated to the Chief of Local and District Offices, Division of Ship Repair and Maintenance and the General Agents to make awards under this form of contract, provided the total aggregate cost of the work does not exceed \$2,000.

SEC. 5. *Responsibility for duplicating copies of NSA-WORKSMALREP Contract.* It will be the responsibility of the Chief of Local and District Offices, Division of Ship Repair and Maintenance and the General Agents to duplicate copies of the work order form and general provisions to suit their respective needs.

Effective date. This order shall be effective upon the date of publication in the FEDERAL REGISTER.

Approved: November 16, 1951.

[SEAL] C. H. MCGUIRE,
Director,
National Shipping Authority.

[F. R. Doc. 51-14058; Filed, Nov. 21, 1951;
9:45 a. m.]

TITLE 43—PUBLIC LANDS: INTERIOR

Chapter I—Bureau of Land Manage- ment, Department of the Interior

[Circular No. 1805]

PART 199—MINERALS SUBJECT TO LEASE UNDER SPECIAL LAWS

MINERAL LEASES IN LANDS PATENTED FOR PARK OR OTHER PUBLIC PURPOSES; GEN- ERAL PROVISIONS

Section 199.48 is hereby amended to read as follows:

§ 199.48 *Form of lease.* Oil and gas leases will be issued on Form 4-213 and Form 4-1158, with such changes in language as may be required to comply with §§ 199.40 to 199.56, inclusive. Leases for the other minerals named in § 199.47 will be upon the forms prescribed for the leasing of such minerals under the Mineral Leasing Act of February 25, 1920 (41 Stat. 437; 30 U. S. C. 181 et seq.), as amended and supplemented, with

necessary deletions and additions conformable to §§ 199.40 to 199.56, inclusive. (Sec. 32, 41 Stat. 450; 30 U. S. C. 189)

OSCAR L. CHAPMAN,
Secretary of the Interior.

NOVEMBER 16, 1951.

[F. R. Doc. 51-13922; Filed, Nov. 21, 1951;
8:46 a. m.]

Appendix—Public Land Orders
[Public Land Order 763]

UTAH

REVOKING PUBLIC LAND ORDER NO. 88 OF
FEBRUARY 6, 1943

By virtue of the authority vested in the President and pursuant to Executive Order No. 9337 of April 24, 1943, it is ordered as follows:

Public Land Order No. 88 of February 6, 1943, as amended by Executive Order No. 9526, of February 28, 1945, reserving the public lands in the following-described areas for the use of the War Relocation Authority as a Japanese Relocation Center, is hereby revoked:

SALT LAKE MERIDIAN

- T. 16 S., R. 8 W.,
Secs. 1 to 4, inclusive;
Secs. 9 to 16, inclusive;
Secs. 19 to 24, inclusive;
Secs. 27, 28, 29, 32, 33, and 34.
T. 17 S., R. 8 W.,
Secs. 3, 4, and 5;
Sec. 8, N $\frac{1}{2}$;
Sec. 9, N $\frac{1}{2}$;
Sec. 10, N $\frac{1}{2}$.

The areas described, including both public and non-public lands, aggregate 18,864.88 acres.

These lands are primarily valuable for grazing.

No applications for these lands may be allowed under the homestead, small tract, desert land, or any other non-mineral public-land laws, unless the lands have already been classified as valuable or suitable for such types of applications, or shall be so classified upon consideration of an application.

This order shall not otherwise become effective to change the status of such lands until 10:00 a. m., on the 35th day after the date of this order. At that time the said lands shall, subject to valid existing rights and the provisions of existing withdrawals, become subject to application, petition, location, and selection as follows:

(a) *Ninety-one day period for preference-right filings.* For a period of 91 days, commencing at the hour and on the day specified above, the public lands affected by this order shall be subject only to (1) application under the homestead or the desert-land laws or the Small Tract Act of June 1, 1938, 52 Stat. 609 (43 U. S. C. 682a), as amended, by qualified veterans of World War II and other qualified persons entitled to preference under the act of September 27, 1944, 58 Stat. 747 (43 U. S. C. 279-284), as amended, subject to the requirements of applicable law, and (2) application under any applicable public-land law, based on prior existing valid settlement

rights and preference rights conferred by existing laws or equitable claims subject to allowance and confirmation. Applications under subdivision (1) of this paragraph shall be subject to applications and claims of the classes described in subdivision (2) of this paragraph. All applications filed under this paragraph either at or before 10:00 a. m., on the 35th day after the date of this order shall be treated as though filed simultaneously at that time. All applications filed under this paragraph after 10:00 a. m., on the said 35th day shall be considered in the order of filing.

(b) *Date for non-preference-right filings.* Commencing at 10:00 a. m., on the 126th day after the date of this order, any lands remaining unappropriated shall become subject to such application, petition, location, selection, or other appropriation by the public generally as may be authorized by the public-land laws. All such applications filed either at or before 10:00 a. m., on the 126th day after the date of this order, shall be treated as though filed simultaneously at the hour specified on such 126th day. All applications filed thereafter shall be considered in the order of filing.

A veteran shall accompany his application with a complete photostatic, or other copy (both sides), of his certificate of honorable discharge, or of an official document of his branch of the service which shows clearly his honorable discharge as defined in § 181.36 of Title 43 of the Code of Federal Regulations, or constitutes evidence of other facts upon which the claim for preference is based and which shows clearly the period of service. Other persons claiming credit for service of veterans must furnish like proof in support of their claims. Persons asserting preference rights, through settlement or otherwise, and those having equitable claims, shall accompany their applications by duly corroborated statements in support thereof, setting forth in detail all facts relevant to their claims.

Applications for these lands, which shall be filed in the Land and Survey Office, Salt Lake City, Utah, shall be acted upon in accordance with the regulations contained in § 295.8 of Title 43 of the Code of Federal Regulations and Part 296 of that title, to the extent that such regulations are applicable. Applications under the homestead laws shall be governed by the regulations contained in Parts 166 to 170, inclusive, of Title 43 of the Code of Federal Regulations, and applications under the desert-land laws and the said Small Tract Act of June 1, 1938, shall be governed by the regulations contained in Parts 232 and 257, respectively, of that title.

Inquiries concerning these lands shall be addressed to the Manager, Land and Survey Office, Salt Lake City, Utah.

OSCAR L. CHAPMAN,
Secretary of the Interior.

NOVEMBER 16, 1951.

[F. R. Doc. 51-13920; Filed, Nov. 21, 1951;
8:45 a. m.]

Appendix—Public Land Orders

[Public Land Order 764]

ALASKA

REVOKING PUBLIC LAND ORDER NO. 660 OF
AUGUST 24, 1950, RESERVING PUBLIC LAND
FOR THE USE OF THE DEPARTMENT OF THE
ARMY FOR NATIONAL GUARD PURPOSES

By virtue of the authority vested in the President and pursuant to Executive Order No. 9337 of April 24, 1943, it is ordered as follows:

Public Land Order No. 660 of August 24, 1950, reserving the following-described public land for the use of the Department of the Army for National Guard purposes, is hereby revoked:

Beginning at a point from which Corner No. 7 of U. S. Survey 2083, at Kotzebue, bears S. 60° W., 605.9 feet, thence by metes and bounds:

N. 44°05' E., 100 feet.
S. 45°55' E., 100 feet.
S. 44°05' W., 100 feet.
N. 45°55' W., 100 feet to point of beginning.

The tract described contains 10,000 square feet.

The land released by this order is subject to the Executive Order of May 4, 1907, withdrawing lands in Alaska for various school reserves.

OSCAR L. CHAPMAN,
Secretary of the Interior.

NOVEMBER 16, 1951.

[F. R. Doc. 51-13921; Filed, Nov. 21, 1951;
8:45 a. m.]

TITLE 49—TRANSPORTATION

Chapter I—Interstate Commerce
Commission

PART 123—FREIGHT COMMODITY STATISTICS

CANCELLATION OF REQUIREMENTS RELATING
TO REPORTS BY GEOGRAPHIC AREA

At a session of the Interstate Commerce Commission, Division 1, held at its office in Washington, D. C., on the 8th day of November A. D. 1951.

The matter of freight commodity statistics being under consideration,

It is ordered, That the order of this Commission issued under date of September 24, 1946, as amended (49 CFR 123.1-123.5), be, and it is hereby modified, effective December 16, 1951, by the cancellation of the requirements relating to reports of freight commodity statistics by geographic areas as indicated below:

1. Cancel the text of § 123.1 *Freight commodity statistics*, and substitute the following for it:

§ 123.1 *Freight commodity statistics.* Beginning with January 1, 1947, and continuing thereafter unless otherwise ordered, carriers by steam railroad, other than switching and terminal companies, subject to Part I of the Interstate Commerce Act, that are or may be assigned to the classes designated as Class I and Class II, and every receiver, trustee, executor, administrator, or assignee of any such steam railroad, shall compile freight traffic statistics, and each of the carriers so indicated shall report such statistics annually, and each of the Class

I carriers also quarterly, in duplicate, to the Commission, according to the commodity classes named in Appendix I to §§ 123.1 to 123.5. Full information shall be furnished in accordance with the following outline of terms and requirements, as supplemented by formal instructions included in the appropriate report forms when supplied.

2. Cancel § 123.2 *Items to be reported*, and substitute the following for it:

§ 123.2 *Items to be reported.* The following items are to be reported quarterly and annually by Class I carriers; and annually by Class II carriers, except that the number of carloads in Class 970, "All L. C. L. Freight," shall be omitted:

(a) Average number of miles of road operated in freight service.

(b) For each commodity class:

Revenue freight originating on respondent's road:

Terminating on line—

Number of carloads,
Number of tons (2,000 pounds).

Delivered to connecting rail carriers—

Number of carloads,
Number of tons (2,000 pounds).

Revenue freight received from connecting rail carriers:

Terminating on line—

Number of carloads,
Number of tons (2,000 pounds).

Revenue freight received from connecting rail carriers—Continued

Delivered to connecting rail carriers—

Number of carloads,
Number of tons (2,000 pounds).

Total revenue freight carried:

Number of carloads,
Number of tons (2,000 pounds).

Gross freight revenue.

3. Cancel § 123.5 *Report forms and date of filing*, and substitute the following for it:

§ 123.5 *Report forms and date of filing.* (a) Reports required from Class I carriers by this section shall be filed in duplicate with the Bureau of Transport Economics and Statistics, Interstate Commerce Commission, Washington 25, D. C., on forms which will be furnished to the carriers. Data required under § 123.2 shall be filed on Form QCS on or before the 60th day succeeding the close of the period for which they are compiled.

NOTE: The outline of Report Form QCS follows the tenor of the order.

(b) Reports required from Class II carriers by this section shall be included in their Annual Report to the Interstate Commerce Commission. (Section 120.11 of this chapter).

4. Cancel Appendix II, List of Geographic Areas, following § 123.5, without altering Appendix I.

(Sec. 12, 24 Stat. 383, as amended; 49 U. S. C. 12. Interpret or apply sec. 20, 24 Stat. 386, as amended; 49 U. S. C. 20)

It is further ordered, That a copy of this order shall be served upon every Class I and Class II steam railroad other than switching and terminal companies subject to the provisions of section 20 of the Interstate Commerce Act, and upon every receiver, trustee, executor, administrator, or assignee of any such steam railroad, and notice of this order shall be given to the general public by depositing a copy thereof in the office of the Secretary of the Commission at Washington, D. C., and by filing it with the Director of the Division of the Federal Register.

Objections may be filed. Any interested party may on or before December 14, 1951, file with the Commission a written statement of reasons why the said modification should not become effective as provided above. Unless otherwise ordered, after consideration of such objections, the said modifications shall become effective as herein ordered.

By the Commission, Division 1.

[SEAL]

W. P. BARTEL,
Secretary.

[F. R. Doc. 51-13942; Filed, Nov. 21, 1951;
8:48 a. m.]

NOTICES

DEPARTMENT OF THE TREASURY

Bureau of Customs

[463.463]

TARIFF CLASSIFICATION

NOTICE OF PROSPECTIVE CLASSIFICATION OF BAR-LE-DUC AS OTHER BERRIES, PREPARED OR PRESERVED, NOT SPECIALLY PROVIDED FOR

NOVEMBER 19, 1951.

It appears probable that a correct interpretation of paragraph 736, Tariff Act of 1930, requires that a product known as bar-le-duc, which is made from either red or white currants together with crystallized or refined sugar, be classified thereunder at a rate of duty higher than that heretofore assessed on such product under an established and uniform practice.

Pursuant to § 16.10a (d), Customs regulations of 1943 (19 CFR 16.10a (d)), notice is hereby given that the existing uniform practice of classifying such product under paragraph 751, Tariff Act of 1930, as modified as a jelly is under review in the Bureau of Customs.

Consideration will be given to any relevant data, views, or arguments pertaining to the correct tariff classification of bar-le-duc which are submitted in writing to the Bureau of Customs, Washington 25, D. C. To assure consideration of such communications, they must be received in the Bureau not later than 30

days from the date of publication of this notice in the FEDERAL REGISTER. No hearings will be held.

[SEAL]

FRANK DOW,
Commissioner of Customs.

[F. R. Doc. 51-13981; Filed, Nov. 21, 1951;
8:51 a. m.]

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

WYOMING

STOCK DRIVEWAY WITHDRAWALS NO. 204, WYOMING NO. 36, AND NO. 144, WYOMING NO. 18, REDUCED

NOVEMBER 14, 1951.

Pursuant to the authority delegated by the Director, Bureau of Land Management, in § 2.22 (a) (1) of Order No. 427, dated August 16, 1950 (15 F. R. 5639), it is ordered as follows:

Subject to valid rights and the provisions of existing withdrawals, the order of the Assistant Secretary of the Interior of October 1, 1929, establishing Stock Driveway Withdrawal No. 204, Wyoming No. 36, and the Departmental orders of May 4, 1944 and August 1, 1944, establishing Stock Driveway Withdrawal No. 144, Wyoming No. 18, under section 10 of the act of December 29, 1916 (30 Stat. 865; 43 U. S. C. 300), are hereby revoked so far as they affect the following described lands:

SIXTH PRINCIPAL MERIDIAN

T. 34 N., R. 81 W.,
Sec. 32, S $\frac{1}{2}$ SW $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$.
T. 33 N., R. 81 W.,
Sec. 9, SE $\frac{1}{4}$ SW $\frac{1}{4}$.
T. 34 N., R. 80 W.,
Sec. 5, lots 3 and 4.
T. 35 N., R. 80 W.,
Sec. 32, S $\frac{1}{2}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$.
T. 31 N., R. 82 W.,
Sec. 14, NE $\frac{1}{4}$ SW $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$,
Sec. 23, W $\frac{1}{2}$ NE $\frac{1}{4}$.

The areas described aggregate 600 acres.

Slightly over one-third of the above described lands are suitable for crop production under irrigation. The remaining acreage is suitable for grazing purposes.

No applications for these lands may be allowed under the homestead, small tract, desert land, or any other nonmineral public land laws, unless the lands have already been classified as valuable or suitable for such type of application, or shall be so classified upon consideration of an application.

The following described lands were designated as subject to the act of August 11, 1916 (39 Stat. 506; 43 U. S. C. 621 et seq.), as amended by section 3 of the act of May 15, 1922 (42 Stat. 541; 12 U. S. C. 773), by section 18 of a contract dated August 3, 1935, between the United States of America and the Casper Alcova Irrigation District, and any disposal of such lands authorized by the public land laws will be subject to any lien for assessments under said contract:

SIXTH PRINCIPAL MERIDIAN

T. 35 N., R. 80 W.,
Sec. 32, S $\frac{1}{2}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$.
T. 31, N., R. 82 W.,
Sec. 14, NE $\frac{1}{4}$ SW $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$.
Sec. 23, W $\frac{1}{2}$ NE $\frac{1}{4}$.
T. 33 N., R. 81 W.,
Sec. 9, SE $\frac{1}{4}$ SW $\frac{1}{4}$.

The following described lands are included in a Federal land exchange program, and have been classified as suitable for exchange purposes only:

SIXTH PRINCIPAL MERIDIAN

T. 35 N., R. 80 W.,
Sec. 32, SW $\frac{1}{4}$ SE $\frac{1}{4}$.
T. 31, N., R. 82 W.,
Sec. 14, NE $\frac{1}{4}$ SW $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$.
Sec. 23, W $\frac{1}{2}$ NE $\frac{1}{4}$.

This order shall not otherwise become effective to change the status of such lands until 10:00 a. m. on the 35th day after the date of this order. At that time the said lands shall, subject to valid existing rights and the provisions of existing withdrawals, become subject to application, petition, location, and selection as follows:

(a) *Ninety-one day period for preference right filings.* For a period of 91 days, commencing at the hour and on the day specified above, the public lands affected by this order shall be subject only to (1) application under the homestead or the desert land laws or the Small Tract Act of June 1, 1938 (52 Stat. 609; 43 U. S. C. 682a), as amended, by qualified veterans of World War II and other qualified persons entitled to preference under the act of September 27, 1944 (58 Stat. 747; 43 U. S. C. 279-284), as amended, subject to the requirements of applicable law, and (2) application under any applicable public land law, based on prior existing valid settlement rights and preference rights conferred by existing laws or equitable claims subject to allowance and confirmation. Applications under subdivision (1) of this paragraph shall be subject to applications and claims of the classes described in subdivision (2) of this paragraph. All applications filed under this paragraph either at or before 10:00 a. m. on the 35th day after the date of this order shall be treated as though filed simultaneously at that time. All applications filed under this paragraph after 10:00 a. m. on the said 35th day shall be considered in the order of filing.

(b) *Date for non-preference right filings.* Commencing at 10:00 a. m. on the 126th day after the date of this order, any lands remaining unappropriated shall become subject to such application, petition, location, selection, or other appropriation by the public generally as may be authorized by the public land laws. All such applications filed either at or before 10:00 a. m. on the 126th day after the date of this order shall be treated as though filed simultaneously at the hour specified on such 126th day. All applications filed thereafter shall be considered in the order of filing.

A veteran shall accompany his application with a complete photostatic, or other copy (both sides) of his certificate of honorable discharge, or of an official document of his branch of the service which shows clearly his honorable dis-

charge as defined in § 181.36 of Title 43 of the Code of Federal Regulations, or constitutes evidence of other facts upon which the claim for preference is based and which shows clearly the period of service. Other persons claiming credit for service of veterans must furnish like proof in support of their claims. Persons asserting preference rights, through settlement or otherwise, and those having equitable claims, shall accompany their applications by duly corroborated statements in support thereof, setting forth in detail all facts relevant to their claims.

Applications for these lands, which shall be filed in the Land and Survey Office, Cheyenne, Wyoming, shall be acted upon in accordance with the regulations contained in § 295.8 of Title 43 of the Code of Federal Regulations and Part 296 of this title, to the extent that such regulations are applicable. Applications under the homestead laws shall be governed by the regulations contained in Parts 166 to 170, inclusive, of Title 43 of the Code of Federal Regulations, and applications under the desert land laws and the said Small Tract Act of June 1, 1938, shall be governed by the regulations contained in Parts 232 and 257, respectively, of this title.

Inquiries concerning these lands shall be addressed to the Manager, Land and Survey Office, Cheyenne, Wyoming.

MAX CAPLAN,

Acting Regional Administrator.

[F. R. Doc. 51-13919; Filed, Nov. 21, 1951;
8:45 a. m.]

ALASKA

RESTORATION ORDER NO. 1, UNDER FEDERAL POWER ACT

NOVEMBER 16, 1951.

Pursuant to the following-listed determination of the Federal Power Commission, and in accordance with § 2.22 (a) (4) of Order No. 427, approved by the Secretary of the Interior August 16, 1950 (15 F. R. 5641), it is ordered as follows:

Subject to valid existing rights and the provisions of existing withdrawal, the land in Alaska, hereinafter described, so far as they are withdrawn or reserved for power purposes, are hereby opened to disposition under the public land laws as provided below, subject to the provisions of section 24 of the Federal Power Act of June 10, 1920 (41 Stat. 1075; 16 U. S. C. 818), as amended:

Determination No.	Dates and types of withdrawals	Type of restoration
DA-58----	Power Site Reserve No. 674 of Jan. 23, 1918; Power Site Classification No. 107 of June 12, 1925.	Under the applicable public land laws.

LAND DESCRIPTION, SEWARD MERIDIAN

T. 12 N., R. 3 W.,
Sec. 1, SW $\frac{1}{4}$.
Sec. 2, SE $\frac{1}{4}$.
T. 13 N., R. 3 W.,
Sec. 36, S $\frac{1}{2}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$, S $\frac{1}{2}$.

The area described contains 880 acres. The above described lands are included in a withdrawal for military purposes made by Public Land Order No. 5, of June 26, 1942.

All unsurveyed power lands within one-fourth mile of Big Rabbit Creek, Campbell Creek, and South Fork of Campbell Creek which, when surveyed, will lie wholly within the following townships:

T. 12 N., R. 1 W.,
T. 11 N., R. 2 W.,
T. 12 N., R. 2 W.,
T. 13 N., R. 2 W.,
T. 11 N., R. 3 W.,
T. 12 N., R. 3 W.,
T. 13 N., R. 3 W.

Portions of the above described unsurveyed lands are included within a withdrawal for the protection of the water supply of the City of Anchorage, made by Public Land Order No. 576, of March 29, 1949.

This order shall not become effective to change the status of the above described unsurveyed lands until 10:00 a. m. on the 35th day after the date of this order. At that time the said lands shall, subject to valid existing rights and the provisions of existing withdrawals, be opened to settlement under the homestead laws and the homesite act of May 26, 1934 (48 Stat. 809; 48 U. S. C. 461), only, and to that form of appropriation only by qualified veterans of World War II and other qualified persons entitled to preference under the act of September 27, 1944 (58 Stat. 747; 43 U. S. C. 279-284), as amended. Commencing at 10:00 a. m. on the 126th day after the date of this order, any of the lands not settled upon by veterans shall become subject to settlement and other appropriation by the public generally in accordance with the appropriate laws and regulations.

T. 12 N., R. 3 W.,
Sec. 4, N $\frac{1}{2}$ NE $\frac{1}{4}$.
Sec. 27, S $\frac{1}{2}$ S $\frac{1}{2}$.
T. 13 N., R. 3 W.,
Sec. 33, E $\frac{1}{2}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$.

The area described contains 560 acres. The above described surveyed lands shall not become subject to the initiation of any rights or to any disposition under the public land laws until it is so provided by an order of classification to be issued by the Chief, Division of Land Planning, Bureau of Land Management, Region VII, Anchorage, Alaska, opening the unreserved lands to application under the Small Tract Act of June 1, 1938 (52 Stat. 609; 43 U. S. C. 682a), as amended, with a 90-day preference right period for filing such applications by veterans of World War II and other qualified persons entitled to preference under the act of September 27, 1944 (58 Stat. 747; 43 U. S. C. 279-284), as amended.

LOWELL M. PUCKETT,
Regional Administrator.

[F. R. Doc. 51-13956; Filed, Nov. 21, 1951;
8:50 a. m.]

ALASKA

NOTICE OF SALE AND REAPPRAISAL, TOK TOWNSITE, ALASKA

NOVEMBER 16, 1951.

Notice is hereby given that forfeited Lot 1, Block 6W, Townsite of Tok, will be available for private sale for \$180.00 at the U. S. Land Office at Fairbanks, Alaska, on or after December 3, 1951, in accordance with 43 CFR 255.9 (b) and the notice of sale, Tok Townsite, Alaska, dated August 2, 1951.

LOWELL M. PUCKETT,
Regional Administrator.

[F. R. Doc. 51-13957; Filed, Nov. 21, 1951;
8:51 a. m.]

DEPARTMENT OF AGRICULTURE

Rural Electrification Administration

[Administrative Order T-77]

SOUTH DAKOTA

LOAN ANNOUNCEMENT

OCTOBER 23, 1951.

Pursuant to the provisions of the Rural Electrification Act of 1936, as amended, a loan contract bearing the following designation has been signed on behalf of the Government acting through the Administrator of the Rural Electrification Administration:

Loan designation:	Amount
Independent Telephone, Inc., South Dakota 510-A-----	\$640,000

[SEAL] CLAUDE R. WICKARD,
Administrator.

[F. R. Doc. 51-13982; Filed, Nov. 21, 1951;
8:51 a. m.]

[Administrative Order T-78]

CALIFORNIA

LOAN ANNOUNCEMENT

OCTOBER 24, 1951.

Pursuant to the provisions of the Rural Electrification Act of 1936, as amended, a loan contract bearing the following designation has been signed on behalf of the Government acting through the Administrator of the Rural Electrification Administration:

Loan designation:	Amount
Dos Palos Telephone Co., Inc., California 511-A-----	\$254,000

[SEAL] CLAUDE R. WICKARD,
Administrator.

[F. R. Doc. 51-13983; Filed, Nov. 21, 1951;
8:51 a. m.]

[Administrative Order T-79]

GEORGIA

LOAN ANNOUNCEMENT

OCTOBER 24, 1951.

Pursuant to the provisions of the Rural Electrification Act of 1936, as amended, a loan contract bearing the following designation has been signed on behalf of the Government acting through the

Administrator of the Rural Electrification Administration:

Loan designation:	Amount
Sikes Telephone Co., Georgia 514-A-----	\$207,000

[SEAL] CLAUDE R. WICKARD,
Administrator.

[F. R. Doc. 51-13984; Filed, Nov. 21, 1951;
8:51 a. m.]

[Administrative Order T-80]

KENTUCKY

LOAN ANNOUNCEMENT

OCTOBER 29, 1951.

Pursuant to the provisions of the Rural Electrification Act of 1936, as amended, a loan contract bearing the following designation has been signed on behalf of the Government acting through the Administrator of the Rural Electrification Administration:

Loan designation:	Amount
Mountain Rural Telephone Co- operative Corp., Inc., Kentucky 506-A-----	\$455,000

[SEAL] CLAUDE R. WICKARD,
Administrator.

[F. R. Doc. 51-13985; Filed, Nov. 21, 1951;
8:52 a. m.]

[Administrative Order 3497]

NEW MEXICO

LOAN ANNOUNCEMENT

OCTOBER 19, 1951.

Pursuant to the provisions of the Rural Electrification Act of 1936, as amended, a loan contract bearing the following designation has been signed on behalf of the Government acting through the Administrator of the Rural Electrification Administration:

Loan designation:	Amount
New Mexico 8S Roosevelt-----	\$50,000

[SEAL] CLAUDE R. WICKARD,
Administrator.

[F. R. Doc. 51-13986; Filed, Nov. 21, 1951;
8:52 a. m.]

[Administrative Order 3498]

TEXAS

LOAN ANNOUNCEMENT

OCTOBER 19, 1951.

Pursuant to the provisions of the Rural Electrification Act of 1936, as amended, a loan contract bearing the following designation has been signed on behalf of the Government acting through the Administrator of the Rural Electrification Administration:

Loan designation:	Amount
Texas 63P Navarro-----	\$75,000

[SEAL] CLAUDE R. WICKARD,
Administrator.

[F. R. Doc. 51-13987; Filed, Nov. 21, 1951;
8:52 a. m.]

[Administrative Order 3499]

COLORADO

LOAN ANNOUNCEMENT

OCTOBER 19, 1951.

Pursuant to the provisions of the Rural Electrification Act of 1936, as amended, a loan contract bearing the following designation has been signed on behalf of the Government acting through the Administrator of the Rural Electrification Administration:

Loan designation:	Amount
Colorado 39D Kit Carson-----	\$410,000

[SEAL] CLAUDE R. WICKARD,
Administrator.

[F. R. Doc. 51-13988; Filed, Nov. 21, 1951;
8:52 a. m.]

[Administrative Order 3500]

KANSAS

LOAN ANNOUNCEMENT

OCTOBER 24, 1951.

Pursuant to the provisions of the Rural Electrification Act of 1936, as amended, a loan contract bearing the following designation has been signed on behalf of the Government acting through the Administrator of the Rural Electrification Administration:

Loan designation:	Amount
Kansas 45E Ellsworth-----	\$40,000

[SEAL] CLAUDE R. WICKARD,
Administrator.

[F. R. Doc. 51-13989; Filed, Nov. 21, 1951;
8:52 a. m.]

[Administrative Order 3501]

ALLOCATION OF FUNDS FOR LOANS

OCTOBER 24, 1951.

Inasmuch as Red River Valley Cooperative Power Association has transferred certain of its properties and assets to Minnkota Power Cooperative, Inc., and Minnkota Power Cooperative, Inc. has assumed in part the indebtedness to United States of America, of Red River Valley Cooperative Power Association, arising out of loans made by United States of America pursuant to the Rural Electrification Act of 1936, as amended, I hereby amend:

(a) Administrative Order No. 980, dated November 2, 1945, by changing the project designation appearing therein as "Minnesota 74L Norman" in the amount of \$198,000 to read "Minnesota 74L Norman" in the amount of \$192,205.98 and "North Dakota 20 Grand Forks (Minnesota 74L Norman)" in the amount of \$5,794.02.

[SEAL] CLAUDE R. WICKARD,
Administrator.

[F. R. Doc. 51-13990; Filed, Nov. 21, 1951;
8:52 a. m.]

NOTICES

[Administrative Order 3502]

ALLOCATION OF FUNDS FOR LOANS

OCTOBER 24, 1951.

Inasmuch as The Flint Hills Rural Electric Cooperative Association, Inc. has transferred certain of its properties and assets to The Smoky Valley Electric Cooperative Association, Inc., and The Smoky Valley Electric Cooperative Association, Inc. has assumed in part the indebtedness to United States of America, of The Flint Hills Rural Electric Cooperative Association, Inc., arising out of loans made by United States of America pursuant to the Rural Electrification Act of 1936, as amended, I hereby amend:

(a) Administrative Order No. 978, dated October 30, 1945, by changing the project designation appearing therein as "Kansas 27H Morris" in the amount of \$275,000 to read "Kansas 27H Morris" in the amount of \$272,702.95 and "Kansas 37 McPherson (Kansas 27H Morris)" in the amount of \$2,297.05.

[SEAL] CLAUDE R. WICKARD,
Administrator.

[F. R. Doc. 51-13991; Filed, Nov. 21, 1951;
8:52 a. m.]

[Administrative Order 3503]

SOUTH DAKOTA

LOAN ANNOUNCEMENT

OCTOBER 25, 1951.

Pursuant to the provisions of the Rural Electrification Act of 1936, as amended, a loan contract bearing the following designation has been signed on behalf of the Government acting through the Administrator of the Rural Electrification Administration:

Loan designation: Amount
South Dakota 11M Pennington... \$75,000

[SEAL] CLAUDE R. WICKARD,
Administrator.

[F. R. Doc. 51-13992; Filed, Nov. 21, 1951;
8:53 a. m.]

[Administrative Order 3504]

WISCONSIN

LOAN ANNOUNCEMENT

OCTOBER 25, 1951.

Pursuant to the provisions of the Rural Electrification Act of 1936, as amended, a loan contract bearing the following designation has been signed on behalf of the Government acting through the Administrator of the Rural Electrification Administration:

Loan designation: Amount
Wisconsin 40T Barron... \$50,000

[SEAL] CLAUDE R. WICKARD,
Administrator.

[F. R. Doc. 51-13993; Filed, Nov. 21, 1951;
8:53 a. m.]

[Administrative Order 3505]

KENTUCKY

LOAN ANNOUNCEMENT

OCTOBER 25, 1951.

Pursuant to the provisions of the Rural Electrification Act of 1936, as amended, a loan contract bearing the following designation has been signed on behalf of the Government acting through the Administrator of the Rural Electrification Administration:

Loan designation: Amount
Kentucky 20N McCracken... \$480,000

[SEAL] CLAUDE R. WICKARD,
Administrator.

[F. R. Doc. 51-13994; Filed, Nov. 21, 1951;
8:53 a. m.]

[Administrative Order 3506]

GEORGIA

LOAN ANNOUNCEMENT

OCTOBER 25, 1951.

Pursuant to the provisions of the Rural Electrification Act of 1936, as amended, a loan contract bearing the following designation has been signed on behalf of the Government acting through the Administrator of the Rural Electrification Administration:

Loan designation: Amount
Georgia 51T Newton... \$115,000

[SEAL] CLAUDE R. WICKARD,
Administrator.

[F. R. Doc. 51-13995; Filed, Nov. 21, 1951;
8:53 a. m.]

[Administrative Order 3507]

MINNESOTA

LOAN ANNOUNCEMENT

OCTOBER 29, 1951.

Pursuant to the provisions of the Rural Electrification Act of 1936, as amended, a loan contract bearing the following designation has been signed on behalf of the Government acting through the Administrator of the Rural Electrification Administration:

Loan designation: Amount
Minnesota 53U Waseca... \$365,000

[SEAL] CLAUDE R. WICKARD,
Administrator.

[F. R. Doc. 51-13996; Filed, Nov. 21, 1951;
8:53 a. m.]

[Administrative Order 3508]

OHIO

LOAN ANNOUNCEMENT

OCTOBER 29, 1951.

Pursuant to the provisions of the Rural Electrification Act of 1936, as amended, a loan contract bearing the following designation has been signed on behalf of the Government acting through the Ad-

ministrator of the Rural Electrification Administration:

Loan designation: Amount
Ohio 60T Seneca... \$605,000

[SEAL] CLAUDE R. WICKARD,
Administrator.

[F. R. Doc. 51-13997; Filed, Nov. 21, 1951;
8:53 a. m.]

[Administrative Order 3509]

GEORGIA

LOAN ANNOUNCEMENT

NOVEMBER 2, 1951.

Pursuant to the provisions of the Rural Electrification Act of 1936, as amended, a loan contract bearing the following designation has been signed on behalf of the Government acting through the Administrator of the Rural Electrification Administration:

Loan designation: Amount
Georgia 81R Towns... \$205,000

[SEAL] CLAUDE R. WICKARD,
Administrator.

[F. R. Doc. 51-13998; Filed, Nov. 21, 1951;
8:53 a. m.]

[Administrative Order 3510]

KENTUCKY

LOAN ANNOUNCEMENT

NOVEMBER 2, 1951.

Pursuant to the provisions of the Rural Electrification Act of 1936, as amended, a loan contract bearing the following designation has been signed on behalf of the Government acting through the Administrator of the Rural Electrification Administration:

Loan designation: Amount
Kentucky 40N Jessamine... \$235,000

[SEAL] CLAUDE R. WICKARD,
Administrator.

[F. R. Doc. 51-13999; Filed, Nov. 21, 1951;
8:54 a. m.]

[Administrative Order 3511]

MINNESOTA

LOAN ANNOUNCEMENT

NOVEMBER 2, 1951.

Pursuant to the provisions of the Rural Electrification Act of 1936, as amended, a loan contract bearing the following designation has been signed on behalf of the Government acting through the Administrator of the Rural Electrification Administration:

Loan designation: Amount
Minnesota 82R Becker... \$420,000

[SEAL] CLAUDE R. WICKARD,
Administrator.

[F. R. Doc. 51-14000; Filed, Nov. 21, 1951;
8:54 a. m.]

[Administrative Order 3512]

TEXAS

LOAN ANNOUNCEMENT

NOVEMBER 2, 1951.

Pursuant to the provisions of the Rural Electrification Act of 1936, as amended, a loan contract bearing the following designation has been signed on behalf of the Government acting through the Administrator of the Rural Electrification Administration:

Loan designation:	Amount
Texas 62N Bailey	\$487,000

[SEAL] CLAUDE R. WICKARD,
Administrator.

[F. R. Doc. 51-14001; Filed, Nov. 21, 1951;
8:54 a. m.]

[Administrative Order 3513]

TEXAS

LOAN ANNOUNCEMENT

NOVEMBER 2, 1951.

Pursuant to the provisions of the Rural Electrification Act of 1936, as amended, a loan contract bearing the following designation has been signed on behalf of the Government acting through the Administrator of the Rural Electrification Administration:

Loan designation:	Amount
Texas 106L Taylor	\$337,000

[SEAL] CLAUDE R. WICKARD,
Administrator.

[F. R. Doc. 51-14002; Filed, Nov. 21, 1951;
8:54 a. m.]

DEPARTMENT OF COMMERCE

Federal Maritime Board

MEMBER LINES OF THE TRANS-PACIFIC
FREIGHT CONFERENCE OF JAPAN ET AL.

NOTICE OF AGREEMENTS FILED WITH THE
BOARD FOR APPROVAL

Notice is hereby given that the following described agreements have been filed with the Board for approval pursuant to section 15 of the Shipping Act, 1916, as amended.

Agreement No. 150-4 between member lines of the Trans-Pacific Freight Conference of Japan, modifies the basic agreement of that Conference (No. 150) to provide that nothing contained therein should prohibit the payment of customary fees to duly appointed vessel agents and the payment of not more than 5 percent commission to sub-agents, that the parties will have only one office of their own or one agent or sub-agent at any one port, that inland agents are prohibited and that agents and sub-agents at any port must have licensed and established ship-handling departments.

Agreement No. 3103-5 between member lines of the Japan-Atlantic Coast Freight Conference, modifies the basic agreement of that Conference (No. 3103) to provide that nothing contained therein should prohibit the payment of customary fees to duly appointed ves-

No. 227-7

sel agents and the payment of not more than 5 percent commission to sub-agents, that the parties will have only one office of their own or one agent or sub-agent at any one port, that inland agents are prohibited and that agents and sub-agents at any port must have licensed and established ship-handling departments.

Interested parties may inspect these agreements and obtain copies thereof at the Regulation Office, Federal Maritime Board, Washington, D. C., and may submit, within 20 days after publication of this notice in the FEDERAL REGISTER, written statements with reference to any of the agreements and their position as to approval, disapproval, or modification, together with request for hearing should such hearing be desired.

Dated: November 19, 1951.

By order of the Federal Maritime Board.

[SEAL] A. J. WILLIAMS,
Secretary.

[F. R. Doc. 51-14004; Filed, Nov. 21, 1951;
8:54 a. m.]

FEDERAL POWER COMMISSION

[Docket Nos. G-1712, G-1717]

MONTANA POWER CO.

ORDER GRANTING MOTION FOR ORAL ARGUMENT AND FIXING DATE THEREFOR

NOVEMBER 15, 1951.

Hearings held pursuant to Commission order issued September 5, 1951, in these proceedings were concluded on October 3, 1951, in Helena, Montana. By order issued on October 18, 1951, the Commission omitted the intermediate decision procedure in Docket No. G-1712 and intermediate action in Docket No. G-1717. On October 24, 1951, interveners, the National Coal Association, United Mine Workers of America and Railway Labor Executives Association filed a joint motion requesting oral argument before the Commission sitting en banc in these proceedings. In said joint motion, it is alleged that movants believe action upon the applications herein will establish precedents and principles which will be reflected in subsequent applications to import natural gas and that the granting of such applications may be considered as an attempt to inaugurate the practice of importing natural gas to the detriment of said movants.

The Commission finds: It is in the public interest to grant oral argument in these proceedings, as hereinafter provided.

The Commission orders:

(A) Oral argument in these proceedings be had before the Commission, commencing on December 7, 1951, at 10:00 a. m., in the Hearing Room of the Federal Power Commission, 1800 Pennsylvania Avenue NW., Washington, D. C.

(B) All parties to these proceedings who desire to participate in such oral argument are required to so notify the Secretary of the Federal Power Commis-

sion, together with the estimated time for their argument on or before the 26th day of November 1951.

(C) Interested State commissions may participate as provided by §§ 1.8 and 1.37 (f) (18 CFR 1.8 and 1.37 (f)) of the Commission's rules of practice and procedure.

Date of issuance: November 16, 1951.

By the Commission.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 51-13923; Filed, Nov. 21, 1951;
8:46 a. m.]

SOUTHERN CALIFORNIA GAS CO. AND
SOUTHERN COUNTIES GAS CO. OF CALIFORNIA

ORDER FIXING DATE OF HEARING

NOVEMBER 15, 1951.

On July 13, 1951, Southern California Gas Company and Southern Counties Gas Company of California, California corporations, with their principal place of business at 810 South Flower Street, Los Angeles, California, filed a joint application for a certificate of public convenience and necessity pursuant to section 7 (c) of the Natural Gas Act, authorizing the construction and operation of certain natural gas facilities, subject to the jurisdiction of the Commission, as described in the application on file with the Commission and open to public inspection.

The Commission finds: This proceeding is a proper one for disposition under the provisions of § 1.32 (b) (18 CFR 1.32 (b)) of the Commission's rules of practice and procedure. Applicants having requested that their application be heard under the shortened procedure provided by the aforesaid rule for non-contested proceedings, and no request to be heard, protest or petition having been filed subsequent to the giving of due notice of the filings of the application, including publication in the FEDERAL REGISTER on August 4, 1951 (16 F. R. 7686, 7687).

The Commission orders:

(A) Pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, as amended, and the Commission's rules of practice and procedure, a hearing be held on December 3, 1951, at 9:45 a. m., in the Hearing Room of the Federal Power Commission, 1800 Pennsylvania Avenue NW., Washington, D. C., concerning the matters involved and the issues presented by such application: *Provided, however,* That the Commission may, after a noncontested hearing, forthwith dispose of the proceeding pursuant to the provisions of § 1.32 (b) of the Commission's rules of practice and procedure.

(B) Interested State commissions may participate as provided by §§ 1.8 and 1.37 (f) (18 CFR 1.8 and 1.37 (f)) of the said rules of practice and procedure.

Date of issuance: November 15, 1951.
By the Commission.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 51-13924; Filed, Nov. 21, 1951;
8:46 a. m.]

[Docket No. G-1830]

TEXAS GAS TRANSMISSION CORP.

NOTICE OF APPLICATION

NOVEMBER 16, 1951.

Take notice that Texas Gas Transmission Corporation (Applicant), a Delaware corporation, having its principal place of business at 416 West Third Street, Owensboro, Kentucky, filed on November 5, 1951, an application for a certificate of public convenience and necessity pursuant to section 7 of the Natural Gas Act authorizing the construction and operation of a natural-gas sales metering station at the junction of Applicant's 12-inch transmission line and a proposed 6-inch pipeline to be constructed and operated by the Dome Gas Company, Inc., an Indiana corporation. Applicant also seeks authority to sell natural gas to Dome Gas Company, Inc., in the amount of 225 Mcf per day.

The natural gas to be measured through the meter station, authority for the construction and operation of which is sought herein, will be delivered and sold to Dome Gas Company, Inc., on an interruptible basis, and transported by that company to its existing distribution system in the City of Sullivan, Indiana, for sale and delivery to consumers therein.

Applicant states that the estimated cost of constructing the said meter station will be \$3,935.10. Applicant will finance the cost of construction from cash on hand.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10) on or before the 5th day of December 1951. The application is on file with the Commission for public inspection.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 51-13925; Filed, Nov. 21, 1951;
8:46 a. m.]

[Docket No. G-1833]

HAVERHILL GAS LIGHT CO.

NOTICE OF APPLICATION

NOVEMBER 16, 1951.

Take notice that Haverhill Gas Light Company (Applicant) a Massachusetts corporation, having its principal place of business at 63-67 Merrimac Street, Haverhill, Massachusetts, filed on November 7, 1951, an application for a certificate of public convenience and necessity pursuant to section 7 of the Natural Gas Act authorizing the trans-

portation and sale of natural gas in interstate commerce.

Applicant proposes to transport a portion of the natural gas sold and delivered to it by Northeastern Gas Transmission Company (Northeastern) by means of existing facilities to a point of connection at the Massachusetts-New Hampshire border with the existing facilities of the Allied New Hampshire Gas Company (Allied), and at that point of connection to sell and deliver for resale such natural gas to Allied.

Applicant states that the said transportation, sale, and delivery of natural gas by it to Allied will be only until such time as the Commission shall issue an order pursuant to an application of Allied under section 7 (a) of the Natural Gas Act, now pending before the Commission, requiring Northeastern to extend its transportation facilities to establish physical connection with Allied, and to sell and deliver natural gas to Allied. Upon such event, Applicant states Allied will cease to be a customer of Applicant, and the sale of natural gas to allied will be discontinued.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10) on or before the 5th day of December 1951. The application is on file with the Commission for public inspection.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 51-13926; Filed, Nov. 21, 1951;
8:46 a. m.]

EXECUTIVE OFFICE OF THE
PRESIDENT

Office of Defense Mobilization

[CDHA No. 14]

FINDING AND DETERMINATION OF CRITICAL
DEFENSE HOUSING AREAS UNDER THE
DEFENSE HOUSING AND COMMUNITY FACILITIES
AND SERVICES ACT OF 1951

NOVEMBER 21, 1951.

Upon a review of the construction of new defense plants and installations, and the reactivation or expansion of operations of existing defense plants and installations, and the in-migration of defense workers or military personnel to carry out activities at such plants or installations, and the availability of housing and community facilities and services for such defense workers and military personnel in each of the areas set forth below, I find that all of the conditions set forth in section 101 (b) of the Defense Housing and Community Facilities and Services Act of 1951 (Public Law 139, 82nd Cong., 1st Sess.) exist.

Accordingly, pursuant to section 101 of the Defense Housing and Community Facilities and Services Act of 1951 and by virtue of the authority vested in me by paragraph number 1 of Executive Order 10296 of October 2, 1951, I hereby determine that each of said areas is a critical defense housing area.

Camp McCoy, Wisconsin, Area. (The area consists of Monroe County, Wisconsin.)

C. E. WILSON,
Director,

Office of Defense Mobilization.

[F. R. Doc. 51-14077; Filed, Nov. 21, 1951;
11:24 a. m.]

INTERSTATE COMMERCE
COMMISSION

[4th Sec. Application 26569]

AUTOMOBILES BETWEEN POINTS IN
WESTERN TRUNK LINE TERRITORY

APPLICATION FOR RELIEF

NOVEMBER 19, 1951.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: L. E. Kipp, Agent, for carriers parties to the tariffs listed below.

Commodities involved: Automobiles, carloads.

Between: Points in western trunk-line territory.

Grounds for relief: Rail competition, circuitry, grouping, and to establish rates prescribed in docket No. 29820.

Schedules filed containing proposed rates: L. E. Kipp's tariff I. C. C. No. A-3594, Supp. 49. GN Ry. tariff I. C. C. No. A-8532, Supp. 1. MStP&SSM RR. tariff I. C. C. No. 7307, Supp. 5. NP Ry. tariff I. C. C. No. 9811, Supp. 3.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission, Division 2.

[SEAL] W. P. BARTEL,
Secretary.

[F. R. Doc. 51-13941; Filed, Nov. 21, 1951;
8:48 a. m.]

SECURITIES AND EXCHANGE
COMMISSION

[File No. 70-2717]

CONSUMERS GAS CO.

ORDER AUTHORIZING ACQUISITION FROM TIME
TO TIME OF CAPITAL STOCK OF READING
GAS CO.

NOVEMBER 16, 1951.

Consumers Gas Company ("Consumers"), a subsidiary of The United Gas Corporation, a registered holding company, having filed an application

pursuant to section 10 of the Public Utility Holding Company Act of 1935 with respect to the acquisition by it from non-affiliated interests from time to time within one year from the date of the Commission's order of not in excess of 1,000 additional shares of the capital stock of Reading Gas Company at prices which, in the opinion of the applicant, will yield a favorable return on the funds so invested; and

Due notice having been given of the filing of the declaration, and a hearing not having been requested or ordered by the Commission; and the Commission finding that the applicable provisions of the act and the rules promulgated thereunder are satisfied and that no adverse findings are necessary, and deeming it appropriate in the public interest and the interest of investors and consumers that said declaration, as amended, be permitted to become effective, forthwith:

It is ordered, Pursuant to Rule U-23 and the applicable provisions of the act, that said declaration, as amended, be, and it hereby is, permitted to become effective forthwith, subject to the terms and conditions prescribed in Rule U-24.

By the Commission.

[SEAL] ORVAL L. DuBOIS,
Secretary.

[F. R. Doc. 51-13929; Filed, Nov. 21, 1951;
8:47 a. m.]

[File No. 70-2729]

CENTRAL MAINE POWER CO.

ORDER AUTHORIZING ISSUANCE AND SALE OF
NOTES

NOVEMBER 16, 1951.

Central Maine Power Company ("Central Maine"), a public utility subsidiary of New England Public Service Company, a registered holding company, having filed an application with this Commission, pursuant to section 6 (b) of the Public Utility Holding Company Act of 1935 ("act"), with respect to the following transactions:

The Commission, by Order dated September 17, 1951, authorized Central Maine to issue or renew, up to and including November 30, 1951, short-term notes up to the maximum amount of \$7,500,000 at any one time outstanding, including notes then outstanding in the amount of \$4,500,000. Central Maine now proposes to issue and renew from time to time, up to and including December 31, 1951, or such earlier date as the company shall have received payment for its proposed issue of \$7,000,000 of First and General Mortgage Bonds, notes having a maturity of three months or less up to the maximum amount of \$9,000,000 at any one time outstanding (including notes now outstanding in the amount of \$7,500,000). Each such note, including the renewal notes, will be made payable to The First National Bank of Boston and will bear interest at the rate of 2¾ percent per annum, subject to change in interest rates for prime paper. In case the interest rate should exceed 2¾ percent on any note, the company will file an amendment to its ap-

plication stating the rate of interest and other details of the note or notes at least five days prior to the execution and delivery thereof and asks that such amendment become effective without further order of the Commission at the end of the five day period unless the Commission shall have notified the company to the contrary within said period.

The proceeds from the sale of the notes will be used for construction purposes. It is represented that no State commission or any other Federal commission has jurisdiction over the proposed transactions, and that no fees and expenses, other than counsel fees estimated at \$150, will be paid in connection with the proposed transactions. The applicant requests acceleration of the Commission's order herein and that it become effective upon the issuance thereof.

Due notice having been given of the filing of the application, and a hearing not having been requested or ordered by the Commission; and the Commission finding that the applicable provisions of the act and the rules promulgated thereunder are satisfied and that no adverse findings are necessary, and deeming it appropriate in the public interest and in the interest of investors and consumers that said application be granted and that the order be accelerated and become effective upon its issuance:

It is ordered, Pursuant to Rule U-23 and the applicable provisions of the act, that said application be, and it hereby is, granted, subject to the terms and conditions prescribed in Rule U-23, and that this order shall become effective forthwith.

By the Commission.

[SEAL] ORVAL L. DuBOIS,
Secretary.

[F. R. Doc. 51-13928; Filed, Nov. 21, 1951;
8:47 a. m.]

[File No. 811-61]

BLUE RIDGE CORP.

NOTICE OF APPLICATION

NOVEMBER 16, 1951.

Notice is hereby given that Blue Ridge Mutual Fund, Inc., of New York City, as successor to Blue Ridge Corporation, has filed an application on behalf of Blue Ridge Corporation pursuant to section 8 (f) of the Investment Company Act of 1940 for an order of the Commission declaring that Blue Ridge Corporation has ceased to be an investment company within the meaning of the act.

Upon consideration of the application, it appears to the Commission that Blue Ridge Corporation, incorporated under the laws of the State of Delaware, is a closed-end, diversified, management investment company registered under the act; that by agreement of merger dated June 28, 1951, Blue Ridge Corporation was merged into Blue Ridge Mutual Fund, Inc., also registered under the act; that pursuant to said agreement, Blue Ridge Mutual Fund, Inc., succeeded to all the rights, privileges and obligations of Blue Ridge Corporation, and all the

property of Blue Ridge Corporation became the property of Blue Ridge Mutual Fund, Inc.; and that Blue Ridge Corporation has ceased the conduct of all business and to have a separate corporate existence.

For a more detailed statement of the matters of fact and law asserted, all interested persons are referred to said application which is on file in the offices of the Commission in Washington, D. C.

Notice is further given that an order granting the application may be issued by the Commission at any time on or after December 10, 1951, unless prior thereto a hearing upon the application is ordered by the Commission, as provided in Rule N-5 of the rules and regulations promulgated under the act. Any interested person may, not later than December 7, 1951, at 5:30 p. m., submit to the Commission in writing his views or any additional facts bearing upon this application or the desirability of a hearing thereon, or request the Commission in writing that a hearing be held thereon. Any such communication or request should be addressed: Secretary, Securities and Exchange Commission, 425 Second Street NW., Washington 25, D. C., and should state briefly the nature of the interest of the person submitting such information or requesting a hearing, the reasons for such request, and the issues of fact or law raised by the application which he desires to controvert.

By the Commission.

[SEAL] ORVAL L. DuBOIS,
Secretary.

[F. R. Doc. 51-13930; Filed, Nov. 21, 1951;
8:47 a. m.]

ECONOMIC STABILIZATION AGENCY

Office of Price Stabilization

[Ceiling Price Regulation 7, Section 43,
Special Order 24, Amdt. 1]

McKAY PRODUCTS CORP.

CEILING PRICES AT RETAIL

Statement of considerations. This amendment to Special Order 24, issued under section 43 of Ceiling Price Regulation 7 to the McKay Products Corp., adds new price lines to those for which ceiling prices at retail were established by the special order and also adds new articles to the coverage of the order.

The Director has determined, on the basis of information available to him, including the data submitted by the applicant, that the retail ceiling prices requested are in line with those already granted and are no higher than the level of ceiling prices under Ceiling Price Regulation 7. Certain price lines for which retail ceiling prices were requested had a history of nonuniform pricing and hence are not included in the coverage of the amended order.

Amendatory provisions. Special Order 24, under Ceiling Price Regulation 7, section 43, is amended in the following respects:

1. Delete paragraph 1 and substitute therefor the following:

1. The following ceiling prices are established for sales after the effective date of this special order by any seller at retail of women's underwear manufactured by The McKay Products Corp., 350 Fifth Avenue, New York, N. Y., having the brand name "Blue Swan" and described in the manufacturer's application dated March 14, 1951, as supplemented and amended by the manufacturer's applications dated March 22, 1951, August 8, 1951, and August 17, 1951. The manufacturer's prices listed below carry terms of $\frac{2}{10}$ EOM, FOB Sayre, Pennsylvania.

WOMEN'S UNDERWEAR

Manufacturer's selling price (per dozen):	Ceiling price at retail (per unit)
\$3.55	\$0.49
\$4.25	.59
\$5.00	.69
\$5.75	.79
\$6.50	.89
\$7.25	.98
\$8.25	1.19
\$9.50	1.25
\$10.50	1.50
\$12.00	1.75
\$12.60	1.79
\$14.50	1.98
\$17.00 through \$17.50	2.50
\$23.50 through \$25.00	3.50
\$28.50	3.98
\$36.00	4.98
\$42.50	5.98
\$49.00	6.93
\$64.00	8.98
\$71.00	9.98
\$78.00	10.98
\$91.00	12.95
\$105.00	14.95
\$119.00	16.95
\$140.00	19.95
\$160.00	22.95
\$175.00	25.00
\$186.00	29.95
\$218.00	35.00
\$249.00	39.95
\$311.00	49.95

2. Delete subparagraphs "a" and "b" of paragraph 2 and insert the word "Deleted" after the paragraph designation "2."

3. In paragraph 4 delete the designation "paragraphs 1, 2 (a), and 2 (b)," wherever they appear, and substitute therefor the designation "paragraph 1."

4. In paragraph 5 delete the designation "paragraphs 1, 2 (a), and 2 (b)," and substitute therefor the designation "paragraph 1."

Effective date. This amendment shall become effective November 16, 1951.

MICHAEL V. DiSALLE,
Director of Price Stabilization.

NOVEMBER 16, 1951.

[F. R. Doc. 51-13904; Filed, Nov. 16, 1951; 4:30 p. m.]

[Ceiling Price Regulation 7, Section 43, Special Order 105, Amdt. 1]

COBLENTZ BAG CO., INC.

CEILING PRICES AT RETAIL

Statement of considerations. Special Order 105 under section 43 of Ceiling Price Regulation 7 established ceiling prices for sales at retail of women's

handbags manufactured by Coblentz Bag Company having the brand name "Coblentz".

This amendment adds new price lines to those for which ceiling prices at retail were established by the special order and lists these new price lines. The price lines for which ceiling prices at retail have already been established by the special order were published in the FEDERAL REGISTER on September 11, 1951.

The Director has determined on the basis of information available to him that the retail ceiling prices requested are in line with those already granted and are no higher than the level of ceiling prices under Ceiling Price Regulation 7.

Amendatory provisions. Special Order 105 under section 43 of Ceiling Price Regulation 7 is amended in the following respects:

1. Delete paragraph 1 of the special order and substitute therefor the following:

1 (a) The ceiling prices for sales after the effective date of the special order by any seller at retail of women's handbags manufactured by Coblentz Bag Company, Inc., 30 E. 33d St., New York 16, New York, having the brand name "Coblentz", and described in the manufacturer's application dated April 2, 1951, shall be the proposed ceiling prices listed in the FEDERAL REGISTER as an appendix on September 11, 1951. The zone "West of Denver" indicated in the appendix includes California, Oregon, Washington, Arizona, New Mexico and Utah. The zone "East of Denver" includes the remainder of the United States.

(b) The following ceiling prices are established for sales after December 17, 1951, by any seller at retail or women's handbags manufactured by Coblentz Bag Company, Inc., having the brand name "Coblentz" and described in the manufacturer's application dated August 20, 1951, as supplemented in its application dated October 4, 1951. The ceiling prices established in this subparagraph are the same for both of the names described in subparagraph 1 (a). Retailers may, of course, sell below the ceiling prices. The manufacturer's prices listed below are subject to terms of 3 percent—10 days E. O. M.:

Manufacturer's selling price:	Ceiling price at retail (per unit)
\$15.00 per dozen	\$1.95
\$18.00 per dozen	2.50
\$21.50 per dozen	2.95
\$28.50 per dozen	3.95
\$36.00 per dozen	5.00
\$42.50 per dozen	5.95
\$51.00 per dozen	6.95
\$72.00 per dozen	9.95
\$113.50 per unit	195.00

2. Delete paragraph 4 of the special order and substitute therefor the following:

4. Within 15 days after the effective date of this special order, the manufacturer shall send a copy of this special order to each purchaser for resale to whom, within two months immediately prior to the effective date, the manufacturer had delivered any article covered in paragraphs 1 and 2 of this special order. Copies shall also be sent to all

other purchasers on or before the date of the first delivery of any such article subsequent to the effective date of this special order, and shall be accompanied by copies of each amendment thereto issued prior to the date of delivery.

Within 15 days after the effective date of any subsequent amendment to this special order, the manufacturer shall send a copy of the amendment to each purchaser to whom, within two months immediately prior to the effective date of such amendment, the manufacturer had delivered any article the sale of which is affected in any manner by the amendment.

Effective date. This amendment shall become effective November 17, 1951.

MICHAEL V. DiSALLE,
Director of Price Stabilization.

NOVEMBER 16, 1951.

[F. R. Doc. 51-13905; Filed, Nov. 16, 1951; 4:31 p. m.]

[Ceiling Price Regulation 7, Section 43, Special Order 414, Amdt. 1]

VAN RAALTE CO., INC.

CEILING PRICES AT RETAIL

Statement of considerations. This amendment to Special Order 414, issued under section 43, of Ceiling Price Regulation 7, Van Raalte Company, Inc., extends the date by which the applicant was required to mark or tag its branded articles. The extension is granted on applicant's demonstration of its inability to preticket in the manner set forth in the special order by the date specified.

Amendatory provisions. 1. In the third sentence of paragraph 5, delete "After 60 days from the effective date of this order," and insert, "After February 1, 1952."

2. In the last sentence of paragraph 5, delete "60 days" and substitute therefor "90 days."

3. In paragraph 9, delete "within 60 days after the effective date of this order," and substitute therefor "after January 2, 1952."

Effective date. This amendment shall become effective November 16, 1951.

MICHAEL V. DiSALLE,
Director of Price Stabilization.

NOVEMBER 16, 1951.

[F. R. Doc. 51-13907; Filed, Nov. 16, 1951; 4:31 p. m.]

[Ceiling Price Regulation 7, Section 43, Special Order 548, Amdt. 1]

VAN RAALTE CO., INC.

CEILING PRICES AT RETAIL

Statement of considerations. This amendment to Special Order 548, issued under section 43, of Ceiling Price Regulation 7, to Van Raalte Company, Inc., extends the date by which the applicant was required to mark or tag its branded articles. The extension is granted on applicant's demonstration of its inability to preticket in the manner set forth in the special order by the date specified.

Amendatory provisions. Special Order 548 under Ceiling Price Regulation 7, section 43, is amended in the following respects:

1. In Paragraph 3, substitute for the date "October 19, 1951" the date "January 2, 1952."

2. In paragraph 3, substitute for the date "November 17, 1951," wherever it appears, the date "February 1, 1952."

Effective date. This amendment shall become effective November 16, 1951.

MICHAEL V. DiSALLE,
Director of Price Stabilization.

NOVEMBER 16, 1951.

[F. R. Doc. 51-13908; Filed, Nov. 16, 1951;
4:31 p. m.]

[Ceiling Price Regulation 7, Section 43,
Special Order 712, Amdt. 1]

A. N. KHOURI & BRO.

CEILING PRICES AT RETAIL

Statement of considerations. The accompanying amendment to Special Order 712 under section 43 of Ceiling Price Regulation 7 modifies those provisions relating to preticketing usually required by orders of this type. This amendment, designed to meet the particular requirements of the dinnerware industry, accomplishes the objective of notifying consumers of the uniform prices fixed under the order.

Amendatory provisions. 1. Delete paragraph 3 of the special order and substitute therefor the following:

3. On and after December 17, 1951, A. N. Khouri & Bro., must furnish each purchaser for resale to whom within two months immediately prior to the effective date the wholesaler had delivered any article covered by paragraph 1 of this special order, with a sign 8 inches wide and 10 inches high, a price book, and a supply of tags and stickers. The sign must contain the following legend:

The retail ceiling prices for A. N. Khouri & Bro. dinnerware and decorative housewares have been approved by OPS and are shown in a price book we have available for your inspection.

The price book must contain an accurate description of each article covered by paragraph 1 of this special order and the retail ceiling price fixed for each article. The front cover of the price book must contain the following legend:

The retail ceiling prices in this A. N. Khouri & Bro. price book have been approved by OPS under section 43, CPR 7.

The tags and stickers must be in the following form:

A. N. Khouri & Bro.
OPS—Sec. 43—CPR 7
Price \$

Prior to January 16, 1952, unless the retailer has received the sign described above and has it displayed so that it may be easily seen and a copy of the price book described above available for immediate inspection, the retailer shall comply with the marketing, tagging, and posting provisions of the regulation which would apply in the absence of this special order.

On and after January 16, 1952, no retailer may offer or sell any article covered by this order unless he has the sign described above displayed so that it may be easily seen and a copy of the price book described above available for immediate inspection. In addition, the retailer must affix to each article covered by the order and which is offered for sale on open display (except in show windows or decorative displays) a tag or sticker described above. The tag or sticker must contain the retail ceiling price established by this special order for the article to which it is affixed.

Upon issuance of any amendment to this special order which either adds an article to those already listed in the wholesaler's application or changes the retail ceiling price of a listed article, the applicant named in this special order must within 30 days after the effective date of the amendment, as to each such article, send an insertion stating the required addition or change for the price book described above. After 60 days from the effective date of the amendment, no retailer may offer or sell the article, unless he has received the insertion described above and inserted it in the price book. Prior to the expiration of the 60-day period, unless the retailer has received and placed the insertion in the price book, the retailer shall comply with the marking, tagging, and posting provisions of the regulation which would apply in the absence of this special order.

Effective date. This amendment shall become effective November 17, 1951.

MICHAEL V. DiSALLE,
Director of Price Stabilization.

NOVEMBER 16, 1951.

[F. R. Doc. 51-13909; Filed, Nov. 16, 1951;
4:32 p. m.]

[Ceiling Price Regulation 7, Section 43,
Special Order 729]

AIREX CORP.

CEILING PRICES AT RETAIL

Statement of considerations. In accordance with section 43 of Ceiling Price Regulation 7, the applicant named in the accompanying special order, Airex Corporation, 411 Fourth Avenue, New York 16, New York, has applied to the Office of Price Stabilization for maximum resale prices for retail sales of certain of its articles. Applicant has submitted the information required under this section and has produced evidence which in the judgment of the Director indicates that the applicant has complied with other stated requirements.

The Director has determined on the basis of information available to him, including the data and certified conclusions of fact submitted by the applicant, that the retail ceiling prices requested and which are established by this special order are no higher than the level of ceiling prices under Ceiling Price Regulation 7.

The special order contains provisions requiring each article to be marked by the applicant with the retail ceiling price established by the accompanying special

order. The applicant and intermediate distributors are required to send purchasers of the article a copy of this special order, a notice listing retail ceiling prices for each cost line and, in specified cases, of subsequent amendments of this special order.

The special order also requires applicant to file with the Distribution Branch regular reports setting forth the number of units of each article covered by this special order which applicant has delivered during the reporting period. This requirement conforms with the provisions of section 43, Ceiling Price Regulation 7.

Special provisions. For the reasons set forth in the statement of considerations and pursuant to section 43 of Ceiling Price Regulation 7, this special order is hereby issued.

1. **Ceiling prices.** The ceiling prices for sales at retail of fishing reels, rods, lines, lures, and spinning accessories sold through wholesalers and retailers and having the brand name(s) "Airex" shall be the proposed retail ceiling prices listed by Airex Corporation, 411 Fourth Avenue, New York 16, New York, hereinafter referred to as the "applicant" in its application dated August 24, 1951, and filed with the Office of Price Stabilization, Washington 25, D. C.

A list of such ceiling prices will be filed by the Office of Price Stabilization with the Federal Register as an appendix to this special order as soon as practicable. On and after the date of receipt of a copy of this special order, with notice of prices annexed, but in no event later than January 16, 1952, no seller at retail may offer or sell any article covered by this special order at a price higher than the ceiling price established by this special order. Sales may be made, of course, at less than the ceiling prices.

2. **Marking and tagging.** On and after January 16, 1952, Airex Corporation must mark each article for which a ceiling price has been established in paragraph 1 of this special order with the retail ceiling price under this special order or attach to the article a label, tag, or ticket stating the retail ceiling price. This mark or statement must be in the following form:

OPS—Sec. 43—CPR 7
Price \$

On and after February 15, 1952, no retailer may offer or sell the article unless it is marked or tagged in the form stated above. Prior to February 15, 1952, unless the article is marked or tagged in this form, the retailer shall comply with the marking, tagging and posting provisions of the regulation which would apply in the absence of this special order.

Upon issuance of any amendment to this special order which either adds an article to those already listed in the application or changes the retail ceiling price of a listed article, the applicant named in this special order must comply as to each such article with the preticketing requirements of this paragraph within 30 days after the effective date of the amendment. After 60 days from the effective date, no retailer may offer or sell the article unless it is ticketed in accordance with the requirements of this

paragraph. Prior to the expiration of the sixty-day period, unless the article is so ticketed, the retailer must comply with the marking, tagging, and posting provisions of the regulation which would apply in the absence of this special order.

3. *Notification to resellers*—(a) *Notices to be given by applicant.* (1) After receipt of this special order, a copy of this special order and the notice described below shall be sent by the applicant to each purchaser for resale on or before the date of the first delivery of any article covered in paragraph 1 of this special order.

(2) Within fifteen days after the effective date of this special order, the applicant shall send a copy of this special order and notice described below to each purchaser for resale to whom within two months immediately prior to the receipt of this special order the applicant had delivered any article covered by paragraph 1 of this special order.

(3) The applicant must notify each purchaser for resale of any amendment to this special order in the same manner, annexing to the amendment an appropriate notice as described below.

(4) The applicant shall annex to this special order or amendment a notice listing the style or lot number, name, or other description of each item covered by this special order or amendment and its corresponding retail ceiling price. The notice shall be in substantially the following form:

(Column 1)	(Column 2)
Item (style or lot number or other description)	Retailer's ceiling price for articles listed in column 1
-----	\$-----

(5) Within 15 days after the effective date of this special order or any amendment thereto, two copies of the ceiling price notice above described must be filed by the applicant with the Distribution Branch, Consumer Soft Goods Division, Office of Price Stabilization, Washington 25, D. C.

(6) The applicant must supply each purchaser for resale other than a retailer with sufficient copies of this special order, amendment and notices to permit such purchasers for resale to comply with the notification requirements of this special order.

(b) *Notices to be given by purchasers for resale (other than retailers).* (1) A copy of this special order, together with the annexed notice of ceiling prices described in subparagraph (a) (4) of this section, shall be sent by each purchaser for resale (other than retailers) to each of his purchasers on or before the date of the first delivery after receipt of a copy of this special order.

(2) Within 15 days of receipt of this special order and the annexed notice, each purchaser for resale (other than retailers) shall send a copy of the order and notice to each of his purchasers to whom, within two months prior to receipt of this special order, his records indicate he had delivered any article covered by paragraph 1 of this special order.

(3) Each purchaser for resale (other than retailers) must notify each purchaser of any amendment to this special order in the same manner, annexing to the amendment an appropriate notice as described above.

4. *Reports.* Within 45 days of the expiration of the first six-month period following the effective date of this special order and within 45 days of the expiration of each successive six-month period, the applicant shall file with the Distribution Branch, Consumer Soft Goods Division, Office of Price Stabilization, Washington 25, D. C., a report setting forth the number of units of each article covered by this special order which he has delivered in that six-month period.

5. *Other regulations affected.* The provisions of this special order establish the ceiling price for sales at retail of the articles covered by it, regardless of whether the retailer is otherwise subject to Ceiling Price Regulation 7 or any other regulation.

6. *Revocation.* This special order or any provisions thereof may be revoked, suspended, or amended by the Director of Price Stabilization at any time.

7. *Applicability.* The provisions of this special order are applicable in the United States and the District of Columbia.

Effective date. This special order shall become effective November 17, 1951.

MICHAEL V. DiSALLE,
Director of Price Stabilization.

NOVEMBER 16, 1951.

[F. R. Doc. 51-13910; Filed, Nov. 16, 1951; 4:32 p. m.]

[Ceiling Price Regulation 7, Section 43,
Special Order 730]

FISHER, BRUCE & CO.

CEILING PRICES AT RETAIL

Statement of considerations. In accordance with section 43 of Ceiling Price Regulation 7, the applicant named in the accompanying special order, Fisher, Bruce & Co., 219-221 Market St., Philadelphia 6, Pa., hereafter called wholesaler has applied to the Office of Price Stabilization for maximum resale prices for retail sales of certain of its articles. Applicant has submitted the information required under this section and has produced evidence which in the judgment of the Director indicates that the applicant has complied with other stated requirements.

The Director has determined on the basis of information available to him, including the data and certified conclusions of fact submitted by the applicant, that the retail ceiling prices requested and which are established by this special order are no higher than the level of ceiling prices under Ceiling Price Regulation 7.

This special order, designed to meet the particular requirements of the chinaware industry, accomplishes the objective of notifying consumers of the uniform prices fixed under the order. The pre-ticketing method established by this

special order is necessary because the articles covered by the special order are characteristically not adaptable to the usual pre-ticketing method.

The special order contains provisions requiring each article on display to be marked by the applicant with the retail ceiling price established by the accompanying special order. The applicant is required to send purchasers of the articles a copy of this special order, a notice listing retail ceiling prices for each cost line and, in specified cases, of subsequent amendments of this special order.

The special order also requires applicant to file with the Distribution Price Branch regular reports setting forth the number of units of each article covered by this special order which applicant has delivered during the reporting period. This requirement conforms with the provisions of section 43, Ceiling Price Regulation 7.

Special provisions. For the reasons set forth in the statement of considerations and pursuant to section 43 of Ceiling Price Regulation 7, this special order is hereby issued.

1. The ceiling prices for sales at retail of chinaware sold at wholesale by Fisher, Bruce & Co., 219-221 Market St., Philadelphia 6, Pa., having the brand name "Baronet China" shall be the proposed retail ceiling prices listed by the Fisher, Bruce & Co., in its applications dated September 14, 1951 and October 11, 1951, and filed with the Office of Price Stabilization, Washington 25, D. C. A list of such ceiling prices will be filed by the Office of Price Stabilization with the Federal Register as an appendix to this special order as soon as practicable. On and after the date of receipt of a copy of this special order, with notice of prices annexed, but in no event later than December 17, 1951, no seller at retail may offer or sell any article covered by this special order at a price higher than the ceiling price established by this special order. Sales may, of course, be made at less than the ceiling prices.

2. The retail ceiling price of an article fixed by paragraph 1 of this special order shall apply to any other article of the same type which is otherwise priceable under Ceiling Price Regulation 7 by retailers subject to that regulation, having the same selling price and terms of sale to the retailer, the same brand or company name and first sold by the wholesaler after the effective date of this special order.

3. On and after December 17, 1951, Fisher, Bruce & Co., must furnish each purchaser for resale to whom within two months immediately prior to the effective date the wholesaler had delivered any article covered by paragraph 1 of this special order, with a sign 8 inches wide and 10 inches high, a price book and a supply of tags and stickers. Such a sign, a price book, and a supply of tags and stickers shall also be sent, on or before the date of the first delivery of an article covered by paragraph 1 of this special order, subsequent to the effective date of this special order. The sign must contain the following legend:

The retail ceiling prices for the Fisher, Bruce & Co., chinaware have been approved

by OPS and are shown in a price book we have available for your inspection.

The price book must contain an accurate description of each article covered by paragraph 1 of this special order and the retail ceiling price fixed for each article. The front cover of the price book must contain the following legend:

The retail ceiling prices in this Fisher, Bruce & Co., price book have been approved by OPS under Section 43, CPR 7.

The tags and stickers must be in the following form:

Fisher, Bruce & Co.
OPS—Sec. 43—CPR 7
Price \$-----

On and after January 16, 1952, no retailer may offer or sell any article covered by this order unless he has the sign described above displayed so that it may be easily seen and a copy of the price book described above available for immediate inspection. Prior to January 16, 1952, unless the retailer has received the sign described above and has it displayed so that it may be easily seen, and a copy of the price book described above available for immediate inspection, the retailer shall comply with the marking, tagging, and posting provisions of the regulation which would apply in the absence of this special order. In addition, the retailer must affix to each article covered by the order and which is offered for sale on open display (except in show windows or decorative displays) a tag or sticker described above. The tag or sticker must contain the retail ceiling price established by this special order for the article to which it is affixed.

Upon issuance of any amendment to this special order which either adds an article to those already listed in the wholesaler's application or changes the retail ceiling price of a listed article, the applicant named in this special order must within 30 days after the effective date of the amendment, as to each such article, send an insertion stating the required addition or change for the price book described above. After 60 days from the effective date of the amendment, no retailer may offer or sell the article, unless he has received the insertion described above and inserted it in the price book. Prior to the expiration of the 60 day period, unless the retailer has received and placed the insertion in the price book, the retailer shall comply with the marking, tagging, and posting provisions of the regulation which would apply in the absence of this special order.

4. Within 15 days after the effective date of this special order, the wholesaler shall send a copy of this special order to each purchaser for resale to whom, within two months immediately prior to the effective date, the wholesaler had delivered any article covered in paragraph 1 of this special order. Copies shall also be sent to all other purchasers on or before the date of the first delivery of any such article subsequent to the effective date of this special order, and shall be accompanied by copies of each amendment thereto (if any) issued prior to the date of the delivery. The wholesaler shall annex to the special order a notice, listing the cost and discount

terms to retailers for each article covered by this special order and the corresponding retail ceiling price fixed by this special order for an article of that cost. The notice shall be in substantially the following form:

(Column 1)	(Column 2)
Our price to retailers	Retailer's ceilings for articles of cost listed in column 1
\$----- per----- (unit, dozen, etc.)	Terms (net, percent E.O.M., etc.) \$-----

Within 15 days after the effective date of this special order, two copies of this notice must also be filed by the wholesaler with the Distribution Price Branch, Consumer Soft Goods Division, Office of Price Stabilization, Washington 25, D. C. Within 15 days after the effective date of any subsequent amendment to this special order, the wholesaler shall send a copy of the amendment to each purchaser to whom, within two months immediately prior to the effective date of such amendment, the wholesaler had delivered any article the sale of which is affected in any manner by the amendment.

5. Within 45 days of the expiration of the first six-month period following the effective date of this special order and within 45 days of the expiration of each successive six-month period, the wholesaler shall file with the Distribution Price Branch, Office of Price Stabilization, Washington 25, D. C., a report setting forth the number of units of each article covered by this special order which he has delivered in that six-month period.

6. The provisions of this special order establish the ceiling price for sales at retail of the articles covered by it regardless of whether the retailer is otherwise subject to Ceiling Price Regulation 7 or any other regulation.

7. This special order or any provision thereof may be revoked, suspended, or amended by the Director of Price Stabilization at any time.

8. The provisions of this special order are applicable to the United States and the District of Columbia.

Effective date. This order shall become effective November 17, 1951.

MICHAEL V. DiSALLE,
Director of Price Stabilization.

NOVEMBER 16, 1951.

[F. R. Doc. 51-13911; Filed, Nov. 16, 1951; 4:32 p. m.]

[Ceiling Price Regulation 7, Section 43,
Special Order 731]

FISHER, BRUCE & CO.

CEILING PRICES AT RETAIL

Statement of considerations. In accordance with section 43 of Ceiling Price Regulation 7, the applicant named in the accompanying special order, Fisher, Bruce & Co., 219-221 Market St., Philadelphia 6, Pa., hereafter called wholesaler has applied to the Office of Price Stabilization for maximum resale prices

for retail sales of certain of its articles. Applicant has submitted the information required under this section and has produced evidence which in the judgment of the Director indicates that the applicant has complied with other stated requirements.

The Director has determined on the basis of information available to him, including the data and certified conclusions of fact submitted by the applicant that the retail ceiling prices requested and which are established by this special order are no higher than the level of ceiling prices under Ceiling Price Regulation 7.

This special order, designed to meet the particular requirements of the chinaware industry, accomplishes the objective of notifying consumers of the uniform prices fixed under the order. The pre-ticketing method established by this special order is necessary because the articles covered by the special order are characteristically not adaptable to the usual pre-ticketing method.

The special order contains provisions requiring each article on display to be marked by the applicant with the retail ceiling price established by the accompanying special order. The applicant is required to send purchasers of the articles a copy of this special order, a notice listing retail ceiling prices for each cost line and, in specified cases, of subsequent amendments of this special order.

The special order also requires applicant to file with the Distribution Price Branch regular reports setting forth the number of units of each article covered by this special order which applicant has delivered during the reporting period. This requirement conforms with the provisions of section 43, Ceiling Price Regulation 7.

Special provisions. For the reasons set forth in the statement of considerations and pursuant to section 43 of Ceiling Price Regulation 7, this special order is hereby issued.

1. The ceiling prices for sales at retail of chinaware sold at wholesale by Fisher, Bruce & Co., 219-221 Market St., Philadelphia 6, Pa., having the brand name "Old Strasbourg" and "Normandie Rooster" shall be the proposed retail ceiling prices listed by the Fisher, Bruce & Co., in its application dated September 14, 1951, and filed with the Office of Price Stabilization, Washington 25, D. C. A list of such ceiling prices will be filed by the Office of Price Stabilization with the Federal Register as an appendix to this special order as soon as practicable. On and after the date of receipt of a copy of this special order, with notice of prices annexed, but in no event later than December 17, 1951, no seller at retail may offer or sell any article covered by this special order at a price higher than the ceiling price established by this special order. Sales may, of course, be made at less than the ceiling prices.

2. The retail ceiling price of an article fixed by paragraph 1 of this special order shall apply to any other article of the same type which is otherwise priceable under Ceiling Price Regulation 7 by retailers subject to that regulation, having the same selling price and terms of sale

to the retailer, the same brand or company name and first sold by the wholesaler after the effective date of this special order.

3. On and after December 17, 1951, Fisher, Bruce & Co. must furnish each purchaser for resale to whom within two months immediately prior to the effective date the wholesaler had delivered any article covered by paragraph 1 of this special order, with a sign 8 inches wide and 10 inches high, a price book and a supply of tags and stickers. Such a sign, a price book, and a supply of tags and stickers shall also be sent, on or before the date of the first delivery of an article covered by paragraph 1 of this special order, subsequent to the effective date of this special order. The sign must contain the following legend:

The retail ceiling prices for the Fisher, Bruce & Co. chinaware have been approved by OPS and are shown in a price book we have available for your inspection.

The price book must contain an accurate description of each article covered by paragraph 1 of this special order and the retail ceiling price fixed for each article. The front cover of the price book must contain the following legend:

The retail ceiling prices in this Fisher, Bruce & Co. price book have been approved by OPS under section 43, CPR 7.

The tags and stickers must be in the following form:

Fisher, Bruce & Co.
OPS—Sec. 43—CPR 7
Price \$-----

On and after January 16, 1952, no retailer may offer or sell any article covered by this order unless he has the sign described above displayed so that it may be easily seen and a copy of the price book described above available for immediate inspection. Prior to January 16, 1952, unless the retailer has received the sign described above and has it displayed so that it may be easily seen, and a copy of the price book described above available for immediate inspection, the retailer shall comply with the marking, tagging, and posting provisions of the regulation which would apply in the absence of this special order. In addition, the retailer must affix to each article covered by the order and which is offered for sale on open display (except in show windows or decorative displays) a tag or sticker described above. The tag or sticker must contain the retail ceiling price established by this special order for the article to which it is affixed.

Upon issuance of any amendment to this special order which either adds an article to those already listed in the wholesaler's application or changes the retail ceiling price of a listed article, the applicant named in this special order must within 30 days after the effective date of the amendment, as to each such article, send an insertion stating the required addition or change for the price book described above. After 60 days from the effective date of the amendment, no retailer may offer or sell the article, unless he has received the insertion described above and inserted it in the price book. Prior to the expiration

of the 60-day period, unless the retailer has received and placed the insertion in the price book, the retailer shall comply with the marking, tagging, and posting provisions of the regulation which would apply in the absence of this special order.

4. Within 15 days after the effective date of this special order, the wholesaler shall send a copy of this special order to each purchaser for resale to whom, within two months immediately prior to the effective date, the wholesaler had delivered any article covered in paragraph 1 of this special order. Copies shall also be sent to all other purchasers on or before the date of the first delivery of any such article subsequent to the effective date of this special order, and shall be accompanied by copies of each amendment thereto (if any) issued prior to the date of the delivery. The wholesaler shall annex to the special order a notice, listing the cost and discount terms to retailers for each article covered by this special order and the corresponding retail ceiling price fixed by this special order for an article of that cost. The notice shall be in substantially the following form:

(Column 1)	(Column 2)
Our price to retailers	Retailer's ceilings for articles of cost listed in column 1
\$..... per..... unit. dozen. etc.	Terms percent EOM. etc.
	\$.....

Within 15 days after the effective date of this special order, two copies of this notice must also be filed by the wholesaler with the Distribution Price Branch, Consumer Soft Goods Division, Office of Price Stabilization, Washington 25, D. C. Within 15 days after the effective date of any subsequent amendment to this special order, the wholesaler shall send a copy of the amendment to each purchaser to whom, within two months immediately prior to the effective date of such amendment, the wholesaler had delivered any article the sale of which is affected in any manner by the amendment.

5. Within 45 days of the expiration of the first six-months period following the effective date of this special order and within 45 days of the expiration of each successive six-month period, the wholesaler shall file with the Distribution Price Branch, Office of Price Stabilization, Washington 25, D. C., a report setting forth the number of units of each article covered by this special order which he has delivered in that six-month period.

6. The provisions of this special order establish the ceiling price for sales at retail of the articles covered by it regardless of whether the retailer is otherwise subject to Ceiling Price Regulation 7 or any other regulation.

7. This special order or any provision thereof may be revoked, suspended, or amended by the Director of Price Stabilization at any time.

8. The provisions of this special order are applicable to the United States and the District of Columbia.

Effective date. This order shall become effective November 17, 1951.

MICHAEL V. DiSALLE,
Director of Price Stabilization.

NOVEMBER 16, 1951.

[F. R. Doc. 51-13912; Filed, Nov. 16, 1951; 4:32 p. m.]

DEPARTMENT OF JUSTICE

Office of Alien Property

AKTIESELSKAPET KRYSTAL

NOTICE OF INTENTION TO RETURN VESTED PROPERTY

Pursuant to section 32 (f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the date of publication hereof, the following property located in Washington, D. C., including all royalties accrued thereunder and all damages and profits recoverable for past infringement thereof, after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., and Property

Aktieselskapet Krystal, Oslo, Norway, Claim No. 6570; \$100,405.66 in the Treasury of the United States.

Property described in Vesting Order No. 672 (8 F. R. 5020, April 17, 1943), relating to United States Letters Patent Nos. 1,573,716; 1,646,454; 1,693,786; 1,704,611; 1,751,740; 1,860,741; 2,042,601; 2,164,111; 2,164,112.

Property described in Vesting Order No. 294 (7 F. R. 9840, November 26, 1942), relating to United States Patent Application Serial No. 295,147 (now United States Letters Patent No. 2,375,922).

All interests and rights (including all royalties and other monies payable or held with respect to such interests and rights and all damages for breach of the agreement hereinafter described, together with the right to sue therefor) created in Aktieselskapet Krystal by virtue of an agreement dated February 1, 1943 (including all modifications thereof or supplements thereto, if any) by and between Aktieselskapet Krystal and Struthers Wells Corporation, relating, among others, to patent number 2,164,112, issued June 27, 1939, to the extent owned by Aktieselskapet Krystal immediately prior to the vesting thereof by Vesting Order No. 3014 (9 F. R. 1836, February 16, 1944).

All interests and rights (including all royalties and other monies payable or held with respect to such interests and rights and all damages for breach of the agreement hereinafter described, together with the right to sue therefor) created in Aktieselskapet Krystal by virtue of an agreement dated July 5, 1939 (including all modifications thereof or supplements thereto, if any), by and between Aktieselskapet Krystal and Semet-Solvay Engineering Corporation (now Semet-Solvay Division of Allied Chemical & Dye Corporation), relating, among others, to patent number 2,164,112, issued June 27, 1939, to the extent owned by Aktieselskapet Krystal immediately prior to the vesting thereof by Vesting Order No. 3014.

Executed at Washington, D. C., on November 16, 1951.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 51-13952; Filed, Nov. 21, 1951; 8:49 a. m.]